

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
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REGULAR MEETING

of the California Horse Racing Board will be held on Thursday, May 25, 2006, commencing at **3:00 p.m.**, at the Los Alamitos Race Course, Finish Line Room, 4961 Katella Avenue, Los Alamitos, California. **The meeting will open at 3:00 p.m., then the Board will adjourn into Executive Session with the regular meeting commencing at approximately 3:30 p.m.**

AGENDA

Action Items

1. Discussion and action by the Board on the **approval of the minutes of the regular meeting on April 27, 2006.**
2. Discussion and action by the Board on the **Application to Conduct a Horse Race Meeting of the Solano County Fair (F) at Vallejo** from July 12 through July 24, 2006, inclusive.
3. Discussion and action by the Board on the **Application to Conduct a Horse Race Meeting of the Sonoma County Fair (F) at Santa Rosa** from July 26 through August 7, 2006, inclusive.
4. Discussion and action by the Board on the **Application to Conduct a Horse Race Meeting of the Del Mar Thoroughbred Club (T) at Del Mar** from July 19 through September 6, 2006, inclusive.
5. Discussion and action by the Board on the **approval of service, Steward and Official Veterinarian contracts.**
6. Public hearing by the Board on the **adoption of the proposed amendment to CHRB Rule 1433 – Applications for License to Conduct a Horse Racing Meeting**, to require the installation of synthetic track surfaces at race tracks that run for four or more continuous weeks of thoroughbred racing in a calendar year not later than January 1, 2008.
7. Discussion and action by the Board on the **proposed amendment to CHRB Rule 1486 – Term of License**, to revise the expiration date of one-year licenses from December 31 to the last day of the birth month of the licensee.
8. Discussion and action by the Board on the **proposed amendment to CHRB Rule 1733 – Whips**, to revise the allowed length of the driver's whip and bring the Board's rule in accordance with the US Trotting Association's changes.

9. Discussion and action by the Board on the **temporary suspension of CHRB Rule 1606 – Coupling of Horses, for the Hollywood Park and Bay Meadows 2006 Spring Race Meetings.**
10. Discussion and action by the Board on a **report of the mold problem at the Surfside Race Place (simulcast facility) at Del Mar.**
11. Staff report on the following concluded race meet:
 - A. **Los Angeles Turf Club** at Santa Anita from December 26, 2005 through April 23, 2006.

Other Business

12. **General Business:** Communications, reports, requests for future action of the Board.
Note: Persons addressing the Board under this item will be restricted to **five (5) minutes** for their presentation.
13. **Old Business:** Issues that may be raised for discussion purposes only, which have already been brought before the Board. **Note:** Persons addressing the Board under this item will be restricted to **five (5) minutes** for their presentation.
14. **Executive Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by Section 11126 of the Government Code.
 - A. Personnel.
 - B. Board may convene an Executive Session to consider any of the attached pending litigation.
 - C. The Board may also convene an Executive Session to consider any of the attached pending administrative licensing and disciplinary hearings.

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who requires aids or services in order to participate in this public meeting, should contact Roy Minami.

CALIFORNIA HORSE RACING BOARD

Richard B. Shapiro, Chairman
Marie G. Moretti, Vice Chairman
John Andreini, Member
William A. Bianco, Member
John C. Harris, Member
Jerry Moss, Member
Ingrid Fermin, Executive Director

PROCEEDINGS of the Regular Meeting of the **California Horse Racing Board** held at the **Hollywood Park Sunset Room**, 1050 South Prairie Avenue, Inglewood, California, on **April 27, 2006**.

Present: Richard B. Shapiro, Chairman
Marie G. Moretti, Vice-Chairman
John Andreini, Member
John C. Harris, Member
Jerry Moss, Member
Ingrid J. Fermin, Executive Director
Derry Knight, Deputy Attorney General

MINUTES

Chairman Shapiro asked for approval of the minutes of the Regular Meeting of March 23, 2006. Vice-Chairman Moretti **motioned** to approve the minutes. Commissioner Andreini **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACE MEETING OF THE SAN JOAQUIN COUNTY FAIR (F) AT STOCKTON FROM JUNE 14 THROUGH JUNE 25, 2006, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the San Joaquin County Fair (SJCF) proposed to run 10 days, the same number of days as in 2005, for a total of 104 races, two more races than in 2005. Ms. Wagner stated the proposed race dates were the same dates allocated to the fair. She added SJCF would run concurrent with Bay Meadows the last three days of the Bay Meadows meeting - June 16, 17 and 18, and SJCF would also run concurrently with Hollywood Park. Ms. Wagner said there were no items missing from the application, and staff recommended the Board approve the application as presented. Chairman Shapiro stated he noted SJCF proposed to run 12 races on Saturday and Sunday. He asked if SJCF ran the same

number of races in 2005. Forrest White of SJCF said his organization ran that number of races on the weekend for the past six years. He stated four of the races were for emerging breeds and eight were thoroughbred. Chairman Shapiro said he was concerned with the shortage of thoroughbreds and did not want to see the remainder of the fair circuit depleted. Mr. White said SJCF had horses from Arizona in 2005, and in 2006 it hoped to also see horses from Oregon. Vice-Chairman Moretti **motioned** to approve the application for license to conduct a horse racing meeting of SJCF. Commissioner Harris **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACE MEETING OF THE ALAMEDA COUNTY FAIR (F) AT PLEASANTON FROM JUNE 28 THROUGH JULY 9, 2006, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Alameda County Fair (ACF) proposed to run 11-days, the same number as in 2005, for a total of 122 races, two more races than in 2005. Ms. Wagner commented Hollywood Park and ACF would not be running concurrently on ACF's opening day and on July 6, 2006. She stated the application was complete and staff recommended the Board approve the application as presented. Chairman Shapiro asked why ACF was projecting a decrease in its projected purse revenues. Rick Pickering of ACF said the numbers were not accurate. They should match the previous year's numbers. Commissioner Harris asked if there were more purse funds than projected, would those funds be paid retroactively to the horsemen, or were they carried over to the next meeting? Chris Korby of California Authority of Racing Fairs said the agreement stipulated if the amount were over \$25,000 there would be a retroactive payment. He stated such payments were made on a

week-by-week basis. Chairman Shapiro praised ACF's promotional plans and their presentation in the application. Chairman Shapiro **motioned** to approve the application to conduct a horse racing meeting of ACF. Commissioner Moss **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE REGULATORY AMENDMENT OF CHRB RULE 1544 – CALLING OFF RACE AND CHRB RULE 1658 – VESTING OF TITLE TO CLAIMED HORSE.

Jacqueline Wagner, CHRB staff, said Rule 1544, Calling off Race, provided the conditions under which a race could be called off, cancelled or declared no contest. The rule did not address the disposition of claims if a race is called off, cancelled or declared no contest. At the 2005 Del Mar meeting a race was declared no contest under Rule 1544. In addition, the stewards ordered all claims in that race void. An owner of a horse that was claimed appealed the stewards' decision and prevailed. Ms. Wagner stated the proposed amendment to Rule 1544 would clearly state that all claims submitted in a race that was called off, cancelled, or declared no contest would be void. In addition, the proposed amendment to Rule 1658, Vesting of Title to Claimed Horse, would state a claim was void if the race was called off in accordance with the provisions of Rule 1544. Ms. Wagner said staff recommended the Board direct staff to initiate a 45-day public comment period. Chairman Shapiro said he believed the proposed amendment would provide clarity. Commissioner Harris stated if the Board wished to change the rule regarding claims that was fine but he believed the issue with races declared no contest was that participants should somehow be paid. He said the issue should be addresses at some point, or be made part of the horsemen's agreement. Ed Halpern of

Proceedings of the Regular Board Meeting of April 27, 2006

4

California Thoroughbred Trainers stated he believed the incident at Del Mar was ultimately handled correctly, but what mattered was that the regulation was clear. Mr. Halpern said he agreed with Commissioner Harris. Horsemen who entered a race that was cancelled through no fault of their own could have up to three months without any return. The purse monies for the race should be divided between the participants, or enough of it should be distributed to make horsemen feel they were compensated for their losses. Commissioner Harris said he believed it should be part of the horsemen's agreement as there were different situations, and purses were a matter between the tracks and the horsemen. Drew Couto of Thoroughbred Owners of California (TOC) stated his board had not discussed the proposed amendment. However, he personally believed it would provide clarity. He added there was no precedent for paying for horses in a no contest race, as there were few such races. Mr. Couto stated he would rather the Board let the parties decide the appropriate solution by contract. Balancing purse funds over the course of a race meeting was often difficult and a racetrack was frequently overpaid. Mr. Couto said he would bring the issues before the TOC board and perhaps come back with an answer. Jack Liebau of Bay Meadows said from time to time accommodations were made in the north with respect to participants in a race declared no contest. Mr. Jerry Jamgotchian, a horse owner, said he believed the regulation should not be amended. Chairman Shapiro **motioned** to instruct staff to initiate a 45-day public comment period. Commissioner Harris **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE REGULATORY AMENDMENT OF CHRB RULE 1969 – WAGERING PROHIBITED.

Jacqueline Wagner, CHRB staff, said Rule 1969, Wagering Prohibited, excluded certain classes of licensees and Board staff from wagering while on duty. At the March 2006 Regular Board Meeting a proposed amendment to Rule 1969 was presented. The proposed amendment would have prevented persons who fell under Rule 1969 from wagering at any time at the meeting at which they were employed. Ms. Wagner stated the Board had concerns with the proposed amendment and no action was taken. Staff subsequently changed the language of the proposed amendment to address the Board's concerns. The amended language would prohibit a person who fell under Rule 1969 from wagering at a facility at which they are employed if they were on duty. The term "on duty" was defined as a period from 12:01 a.m., the date a person was scheduled to work, until the end of his specified work period, including authorized rest and meal breaks. Ms. Wagner said staff recommended the Board direct staff to initiate a 45-day public comment period. Commissioner Harris said the definition of "on duty" addressed his concerns. He asked if the Pari-Mutuel Employees Guild (PEG) had any issues with the proposed amendment. Richard Castro PEG said he believed pari-mutuel clerks should be excluded from the rule. Chairman Shapiro said he agreed. In his opinion, the rule change had to do with licensees who dealt with horses or had some bearing on the outcome of the race, and he did not see where a pari-mutuel clerk or a camera operator could have an effect. Chairman Shapiro said he had difficulty with some of the classifications because the rule was unenforceable in the real world due to modern technology and he did not see how a simulcast facility supervisor could affect the outcome of a race. Mr. Castro said if a pari-mutuel clerk was to do something it was fairly easy for the employer to trace back the infraction.

Proceedings of the Regular Board Meeting of April 27, 2006

6

Commissioner Moss said he agreed that the rule would be difficult to enforce, and he would also exclude pari-mutuel clerks. Chairman Shapiro said that was why the Board could perhaps make other changes to the regulation and limit it to racing officials and assistant racing officials. He suggested the proposal should be reviewed to determine who had an effect on the outcome of a race, and be brought back to the Board at a later date. Jerry Jamgotchian, a horse owner, spoke about his thoughts on the proposed amendment to Rule 1969. Chairman Shapiro **motioned** to return the proposed amendment to staff for further investigation. Commissioner Harris **seconded** the motion, which was **unanimously carried**.

PUBLIC HEARING BY THE BOARD ON THE ADOPTION OF THE FOLLOWING ACTIONS:

A. REPEAL OF CHRB RULE 1606 – COUPLING OF HORSES AND CHRB RULE 1974 – WAGERING INTEREST.

B. REGULATORY AMENDMENT OF CHRB RULE 1420 – DEFINITIONS; RULE 1954.1 – PARLAY WAGERING ON WIN, PLACE OR SHOW; RULE 1957 – DAILY DOUBLE; RULE 1959 – SPECIAL QUINELLA (EXACTA); RULE 1976 – UNLIMITED SWEEPSTAKES; RULE 1976.8 – PLACE PICK (N); RULE 1976.9 – PICK (N) POOL; RULE 1977 – PICK THREE; RULE 1978 – SELECT FOUR; RULE 1979 – TRIFECTA; AND RULE 1979.1 – SUPERFECTA.

Jacqueline Wagner, CHRB staff, said the proposed repeal of Rule 1606, Coupling of Horses, and Rule 1974, Wagering Interest, would eliminate the practice of coupling two or more horses as a single wagering interest when the same person or persons own the horse in whole or in part. If the coupling was eliminated, Rule 1974 would be folded into an amended Rule 1420, Definitions, as the definition of “wagering interest” would no longer include coupling. Ms. Wagner said staff received a large number of comments during the 45-day public comment period. The majority of comments were against the proposed repeal of Rule 1606.

Proceedings of the Regular Board Meeting of April 27, 2006

7

Ms. Wagner summarized the comments in opposition to the proposed repeal, and the comments in favor of the proposed action. She stated in light of the number of comments against the proposed repeal of Rule 1606, staff recommended the Board not adopt the proposed repeal and that the Board continue to review the matter. Chairman Shapiro said he would like to hear from the industry regarding the proposed repeal. He stated he questioned if the issue would be raised if there were an abundance of horses. In addition, he recognized that fans were sometimes left with a wager they might not have made when a horse that is part of an entry was scratched. Chairman Shapiro said there was a shortage of horses, but the Board also had to protect the integrity of horse racing. Commissioner Harris stated he did not believe all the comments from owners and the racing industry were received. He said some people were obviously concerned with the proposed repeal of Rule 1606, but there were some comments in favor of the action. Chairman Shapiro said he agreed. He stated the Board encouraged interested parties to submit comments, but he did not believe a scientific sampling was received. While he appreciated those who wrote, he said he did not think their opinions were indicative of what the true public felt. Commissioner Harris stated a lot of the comments were also against uncoupling horses trained by the same trainer, which was something the Board felt was appropriate. He said if the public comments were relied on, the Board should also revisit that issue. Jack Liebau of Bay Meadows and Hollywood Park stated both racetracks supported the repeal of Rule 1606, as it would help relieve the shortage of horses. In addition, Mr. Liebau said he did not buy into fears of race fixing, as every owner and every trainer was only trying to have their horses perform as well as they could to win many races. Sherwood Chillingworth of Oak Tree Racing said he agreed with Mr. Liebau. He stated trainers had far

Proceedings of the Regular Board Meeting of April 27, 2006

8

more ability to influence the outcome of a race, and they were not required to couple entries. Mr. Chillingworth said only those who were against repealing Rule 1606 made an effort to submit comments. He said he thought the repeal was a “done deal” and there was no point in raising an issue on which the industry was in agreement. Mr. Chillingworth stated he believed the industry could get just as many people to state they were in favor of uncoupling entries. Commissioner Harris said comments were expected on any rule put out for comment, and no one should assume anything. It appeared the horsemen and the tracks were not being proactive and making comments, but hopefully, in the future, comments would be submitted. Chairman Shapiro said that went to the point of what staff interpreted. He stated staff’s recommendation was based on the public e-mails, and that was why tracks needed to be heard from as well. Drew Couto of Thoroughbred Owners of California (TOC) said his organization did have concerns that uncoupling could bring into question the integrity of horse racing in certain cases. He stated TOC was proposing that both entries and the horses run individually, so the public would be protected. The public could wager on the entries and the individual owners could have a chance to start their horses. There would be three wagering interests, the shortage of horses would be addressed and the integrity of racing would be protected with coupled entries. Chairman Shapiro asked if Mr. Couto’s concept could be implemented quickly. Terry McWilliams of Scientific Games (SG) said SG would have to look at the scope of the programming, but an estimate would not take long to generate. He added anything could be done with programming. Chairman Shapiro asked how long would it take to do what Mr. Couto suggested. Mr. McWilliams stated if Mr. Couto had anything written, he would forward it to his research and development department and within 24 hours a response to the

Proceedings of the Regular Board Meeting of April 27, 2006

9

question could be given. He said he was not a programmer, so he did not have the ability to answer Chairman Shapiro's question. Commissioner Moss stated the Board could set a minimum of four owners per race or four trainers, which would ease the worries of those who objected to the proposal. He added a lot of comment has been made regarding uncoupling horses. The harness industry indicated it did not want to participate in the repeal, but others from the industry were in support of the idea. Commissioner Moss added he also supported the proposed repeal. Chairman Shapiro said he thought repealing the coupling requirement on an experimental basis would give the industry time to study the idea. Commissioner Harris asked if the Board could waive the coupling rule for a given race meeting. Deputy Attorney General (DAG) Derry Knight said the Board could waive the rule under Rule 1406, Suspension of Rule. Chairman Shapiro said that would be his first choice. He stated an experiment could be conducted at the spring Hollywood Park and Bay Meadows meetings. Ron Charles of Magna Entertainment Corporation (MEC) said it would be nice to form a committee to look at the variables of such an experiment before it was initiated. Chairman Shapiro stated if horsemen, track representatives and Board staff developed a framework for the experiment everyone would know what was happening. In addition, data could be kept so the Board could come back and decide if it wanted to repeal Rule 1606. DAG Knight said if the Board was going to waive the rule, it could not delegate others to decide what the rules should be; the Board would have to come back with a proposal. Chairman Shapiro said the Board could work through the Pari-Mutuel/ADW and Simulcast Committee. Vice-Chairman Moretti asked what Del Mar Thoroughbred Club (DMTC) thought of the proposal. Craig Fravel of DMTC said as long as there was adequate disclosure; and the public was fully aware

Proceedings of the Regular Board Meeting of April 27, 2006

10

of what it was wagering on; and as long as the stewards were doing their jobs, waiving the coupling rule was fine. Greg Badovinac, a horse racing fan, spoke in opposition to the repeal of Rule 1606. He stated coupling was a matter of fairness to the players because where ownership was the same; they would be protected with an entry. Racing fans never knew which horse under common ownership would run better, so the entry provided protection. If there really was full disclosure the issue might be different, but due to the nature of the sport there never would be full disclosure because owners and trainers did not want their opponents to know what they were doing. Jerry Jamgotian, a horse owner, spoke against the repeal of Rule 1606. Chairman Shapiro **motioned** to waive Rule 1606 at the spring Hollywood Park race meeting and the spring Bay Meadows race meeting, effective the day of Bay Meadow's opening through July 16, 2006, and subject to the house rules. Mr. Couto asked Chairman Shapiro to modify the motion to make the waiver of Rule 1606 subject to an agreement of the horsemen's association and the racing association. Chairman Shapiro said his motion was so **modified**. DAG Knight said a waiver of Rule 1606 was not on the agenda. He suggested the Board issue a ten-day notice for a special teleconference meeting that would allow it to be in compliance with the open meeting act. Chairman Shapiro said a ten-day notice for a telephonic meeting of the Board would be issued. Ms. Wagner asked if the Board wanted the repeal of Rule 1606 renoticed after the experiment. Chairman Shapiro said the repeal could be noticed concurrent with the experiment, and **motioned** not to take action on the repeal of Rule 1606, and to have staff renote the proposed repeal. Commissioner Moss **seconded** the motion, which was **unanimously carried**. Ms. Wagner said item "B" of the issue was only necessary if the Board adopted the repeal of Rule 1606. Chairman Shapiro **motioned** not to

take action on item “B” and to have staff renote the item in conjunction with the repeal of Rule 1606. Vice-Chairman Moretti **seconded** the motion, which was **unanimously carried**.

PUBLIC HEARING BY THE BOARD ON THE ADOPTION OF THE REGULATORY AMENDMENT OF CHRB RULE 1472 – RAIL CONSTRUCTION AND TRACK SPECIFICATIONS, TO PROVIDE AN EXEMPTION FOR SYNTHETIC AND POLYMER OR WAX-COATED SAND TRACK SURFACES FROM THE CROSS-SLOPE REQUIREMENTS FOR STRAIGHT-AWAYS AND TURNS AS REQUIRED IN RULE 1472.

Jacqueline Wagner, CHRB staff, said the proposal to amend Rule 1472, Rail Construction and Track Specifications, would provide that synthetic or polymer or wax-coated sand track surfaces would be exempt from the cross slope requirements of Rule 1472. Ms. Wagner stated no comments were received during the 45-day public comment period, and staff recommended the Board adopt the amendment as presented. Chairman Shapiro said the regulation also talked about drainage systems and a particular base; not just surface material. He stated he was concerned the language of the proposed amendment did not deal with the entire system. Craig Fravel of Del Mar Thoroughbred Club said there was a system requirement and drainage issues. However, those issues could be dealt with through proper inspections and review of plans before a synthetic track was installed. Mr. Fravel stated the reason slope requirements were included in Rule 1472 had to do with the ability of organic dirt tracks to drain properly. Jack Liebau of Bay Meadows and Hollywood Park said not all manufacturers of synthetic material racetracks believed such tracks should be flat. He stated he believed the Board should move with caution on the issue of synthetic track surfaces, as the industry was in an experimental stage. Mr. Liebau added he believed the proposed amendment would not prevent a synthetic track from having a slope. Commissioner Harris said the only purpose of the

regulation was to allow for a flat surface if appropriate. Commissioner Harris **motioned** to adopt the proposed amendment to Rule 1472. Commissioner Andreini **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE REPORT FROM LOS ANGELES TURF CLUB ON IMPROVEMENT PLANS FOR THE BARN AND STABLE AREAS.

Ron Charles of Magna Entertainment Corporation (MEC) said MEC was working on the demolition and rebuilding of two barns at Los Angeles Turf Club (LATC). Mr. Charles said they would be the same barns as those built at Palm Meadows and Gulf Stream. He added the barns would be completed around the end of September 2006. MEC was looking at long-term plans to decide what would happen after the two barns were completed. Chairman Shapiro asked how many stalls each barn would have. Mr. Charles stated one barn had 32 stalls and the other barn had up to 20 stalls. Chairman Shapiro asked how long the master plan for the entire barn area would take to complete. Mr. Charles said there was still some discussion regarding where the remainder of the barns would be placed, as some barns would be lost due to the Caruso project. He stated he could have a master plan ready within 45 days. Chairman Shapiro asked if the project would be completed in phases. Mr. Charles said the project would probably have to be completed in increments of one quarter per year, as the industry did not have the facilities to provide for the displacement of horses. Commissioner Harris asked if there would be a housing component to the new barns. Mr. Charles said dormitories, similar to those at Gulf Stream, would be built. Chairman Shapiro asked if LATC would be taking care of its infestation of rodents. Mr. Charles said LATC thought it would be able to address

the problem when it closed during the Del Mar meeting. However, LATC could not close because Hollywood Park was going to install a synthetic racing surface. Chairman Shapiro said he did not know what Hollywood Park planned for 2006, but if it were to remain open would LATC take care of its rodent problem? Mr. Charles said LATC would do as it originally planned and eradicate the rodents. Chairman Shapiro said the Board would like LATC to appear at a future Regular Board Meeting to talk about its plans for its entire barn area. Commissioner Harris asked about the status of the Caruso project. Mr. Charles said the Arcadia City Council would vote on the project, and then it would probably go to a referendum and potentially a lawsuit, so it would be delayed for a while; however, it was moving ahead. Chairman Shapiro asked if MEC would make a presentation regarding the Caruso project. Mr. Charles said MEC could give a 15-minute presentation at any time. Chairman Shapiro suggested Mr. Charles work with staff to arrive at a date for a presentation.

DISCUSSION AND ACTION BY THE BOARD ON THE MATTER OF: (1) LICENSING AND SETTING OF ADW HUB RATES AND THE OBLIGATIONS OF ADW COMPANIES AND OR RACING ASSOCIATIONS TO HAVE AGREEMENTS WITH HORSEMEN'S OR OWNER'S ORGANIZATIONS; (2) TVG AND TOC HUB FEE RATE DISPUTE RELATING TO IMPORTED TB RACES AND THE PROPRIETY OF AN ADW COMPANY TO IMPORT RACES WITHOUT A CONTRACT IN PLACE WITH A RACING ASSOCIATION OR HORSEMEN'S ORGANIZATION OF THE SAME BREED AS THE IMPORTED RACES; (3) METHOD OF DETERMINING, CALCULATING AND RESERVING FOR RATES IN DISPUTE; (4) ANY OTHER RELATED MATTER CONSIDERED PART OF THE DISPUTE BETWEEN ANY ADW COMPANY AND ANY RACING ASSOCIATION OR HORSEMEN'S OR OWNER'S ORGANIZATION.

Chairman Shapiro said the item was deferred.

DISCUSSION AND ACTION BY THE BOARD ON A REPORT OF THE MOLD PROBLEM AT THE SURFSIDE RACE PLACE (SIMULCAST FACILITY) AT DEL MAR.

Chairman Shapiro said the item was deferred until the May 2006 Regular Board Meeting.

DISCUSSION AND ACTION BY THE BOARD ON THE FEASIBILITY OF SPONSORING LEGISLATION TO DIRECT FINES COLLECTED BY THE BOARD TO RACING RELATED ORGANIZATIONS OR PROGRAMS.

Chairman Shapiro said fines levied in horse racing currently went back to the State's general fund. He stated he believed it would be in racing's best interest to see the monies collected as fines or sanctions redirected into racing-related causes. Commissioner Harris asked if there was any precedent for returning fines to an agency's budget. Vice-Chairman Moretti said there was some precedent; however, within the past few years any request to do something similar was turned down due to the State's fiscal crisis. Rod Blonien, a lawyer and industry lobbyist, said there was a legal principle that held an enforcement agency should not benefit from the actions it took to enforce the law and regulations. It would be like the police writing tickets where the fines went directly into a police fund. Mr. Blonien said such an idea might ultimately not benefit the Board. If the Board took \$200,000 in fines, that money would simply be taken out of the Board's budget, and the Board would be expected to pay for an activity with fines.

DISCUSSION AND ACTION BY THE BOARD ON THE DRUG TESTING PROGRAM, INCLUDING A REVIEW OF THE PROGRAM COSTS AND BENEFITS.

Commissioner Harris said the overall CHRB budget was in the approval process at the legislature. He stated there were some questions regarding the drug testing program, which needed to be well funded to have top flight testing. Commissioner Harris said the Board needed industry support on the matter to get it through the legislature. Chairman Shapiro stated the CHRB had a budget of approximately 8.5 million dollars, and to do more and better testing, the Board asked for a budget increase of \$850,000. He said it was important that the industry support the request and educate the legislature regarding drug testing's importance to the over all integrity of the sport. Chairman Shapiro added California was behind other states in terms of dollars spent on drug testing. To be able to do more testing the Board needed the industry's support.

DISCUSSION AND ACTION BY THE BOARD ON CHRB RULE 1876 – FINANCIAL RESPONSIBILITY.

Commissioner Harris said he questioned the amount of time the Board devoted to financial cases. He stated it was a complex issue that probably should be diverted to the Steward's Committee for objective analysis. Chairman Shapiro said he shared Commissioner Harris's view that sometimes the stewards seemed to be bill collectors. He said the item would be sent to the Steward's Committee.

DISCUSSION AND ACTION BY THE BOARD ON THE MATTER OF SETTING BOARD MEETING DAYS AND LOCATIONS.

Chairman Shapiro said he thought the Board should look at moving its meetings to Tuesdays, which were typically dark. He stated he would like to start the meeting at 1 o'clock and hold committee meetings earlier in the day so participants would not have to be inconvenienced by staying overnight. Commissioner Harris said he thought it was a good idea, but perhaps not for every meeting. He stated there was value in being at a track while it was live, as one could look at improvements or the racing program. Chairman Shapiro said he would also like to schedule a meeting at the Maddy Laboratory so the industry could see other parts of the industry. Commissioner Harris suggested a meeting in Sacramento that could be tied into Legislative Day. Vice-Chairman Moretti said she thought it would be a good idea to give the Board the opportunity to meet with legislators. Rod Blonien said it would be difficult for some persons, such as industry lobbyists, to attend a Tuesday Board meeting. He stated the Senate Governmental Organizational Committee met on Tuesdays, and it would be difficult to get to Southern California – especially during the months of January through June. Chairman Shapiro said the Board would look at making revisions to the scheduled Board meetings for the remainder of 2006. He stated he was not looking to disturb meetings where rooms had already been booked. Chairman Shapiro said Legislative Day was on June 19, so perhaps changes could be made beginning in that month.

REPORT OF THE RACE DATES AND STRATEGIC PLANNING COMMITTEE.

Chairman Shapiro said the Race Dates and Strategic Planning Committee (committee) meeting was postponed. He stated in 2006 the committee was moving in a different direction and

would look at all the alternatives to direct California horse racing to a bright future. He stated the committee would look at contingency plans in the event one or more of the State's racetracks was lost. The committee wanted to hear the opinion of the entire industry regarding how to fix horse racing. The committee would also deal with normal business such as the race dates calendar.

GENERAL BUSINESS

Ronald Caswell, an interested party, suggested the Board form a neutral oversight panel to monitor claims from licensees that believed they were not treated fairly by the stewards or Board staff. Chairman Shapiro said there were organizations that represented licensees. Owners could go to the breed organizations, such as Thoroughbred Owners of California, if they felt they were not being treated fairly by the Board or its agents, and a trainer could go to the California Thoroughbred Trainers. In addition, Board staff was available to listen to anyone who felt they were being treated unfairly. Chairman Shapiro said he heard many complaints, which he looked into. He stated he found management at the racetracks to be receptive to rectifying situations. Chairman Shapiro said he was also receptive to the idea of forming an ad hoc committee. To illustrate the need for a neutral committee Mr. Caswell related an incident that involved intimidation of a jockey who was to testify before the stewards. Commissioner Harris said he believed licensees should be directed to the organizations that represented their interests. He commented the Jockey's Guild would be interested in the incident related by Mr. Caswell. Chairman Shapiro said he spoke with Jockey's Guild staff and had not heard of the incident. He stated licensees needed to talk to

Proceedings of the Regular Board Meeting of April 27, 2006

18

their representatives rather than contact a lawyer or remain silent. Licensees would find the intent of the Board was to do the right thing. Candace M. Young, a horse owner, spoke about her feelings regarding an incident regarding her daughter who was a trainer. Chairman Shapiro said Ms. Young needed to use the proper channels to voice her complaints as the Board faced the possibility of hearing an appeal and could not discuss the case. Kate Crismani, an owner and breeder, spoke about her experiences with the CHRB hearing process. Commissioner Shapiro thanked Ms. Crismani for her comments.

MEETING ADJOURNED AT 12:52 P.M.

Proceedings of the Regular Board Meeting of April 27, 2006

19

A full and complete transcript of the aforesaid proceedings are on file at the office of the California horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof:

Chairman

Executive Director

STAFF ANALYSIS

May 25, 2006

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE SOLANO COUNTY FAIR AT VALLEJO JULY 12-24, 2006.

Solano County Fair filed its application to conduct a horse racing meeting at Vallejo:

- July 12-24, 2006, or 11 days, the same as 2005. The fair proposes to race a total of 125 races, one more than 2005.
- The proposed race dates are the approved dates allocated to the fair.

| July - 2006 | | | | | | |
|-------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | | | 1 |
| 2 | 3 | 4 H | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 | | | | | |

- Racing 5 days the first week, Wednesday through Sunday and 6 days the second week, Wednesday through Monday. 11 races per day Monday, Wednesday, Thursday and Friday and 12 Saturday and Sunday.
 - Number of horses available determines the number of daily races programmed by breed.
 - 2005 Race Meeting: Average number of runners per race (TB): 7.8
 - 2005 Race Meeting: Average number of runners per race (Arabian): 6.8
 - 2005 Race Meeting: Average number of runners per race (Appaloosa): 6.0
 - 2005 Race Meeting: Average number of runners per race (Quarterhorse): 7.4
 - 2005 Race Meeting: Average number of runners per race (Mules): 7.0
- Racing concurrently with Hollywood Park July 12-16 and Del Mar July 19-24.
- First post 12:45 p.m.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering will not be offered.
- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

RECOMMENDATION:

Staff recommends the Board approve the application as presented.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

A. Name, mailing address, telephone and fax numbers of fair:

Solano County Fair Association
900 Fairgrounds Drive
Vallejo, CA 94589

(707) 551-2000

(707) 642-7947 (fax)

B. Fair association is a: ☐ District Fair ☒ County Fair ☐ Citrus Fruit Fair

☐ California Exposition and State Fair ☐ Other qualified fair

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

A. Inclusive dates of race meeting: **Wednesday, July 12 through Monday, July 24, 2006.**

B. Dates racing will NOT be held: **Monday July 17 and Tuesday July 18, 2006.**

C. Total number of racing days: **11 days**

3. RACING PROGRAM

A. Total number of races: **125 depending on availability of horses/mules**

B. Number of races by breed:

| | | | | | |
|---------------------------------|---------------|---------------------------------|----------------|---------------------------------|------------|
| <input type="text" value="92"/> | Thoroughbreds | <input type="text" value="10"/> | Quarter Horses | <input type="text" value="2"/> | Appaloosas |
| <input type="text" value="11"/> | Arabians | <input type="text"/> | Paints | <input type="text" value="10"/> | Mules |

C. Number of races daily:

| | Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|--------------|--------|--------|---------|-----------|----------|--------|----------|
| Thoroughbred | 9 | 8 | 0 | 8 | 8 | 8 | 9 |
| Other Breeds | 3 | 3 | 0 | 3 | 3 | 3 | 3 |
| Total | 12 | 11 | 0 | 11 | 11 | 11 | 12 |

CHRB CERTIFICATION

Application received:
Reviewed:

Hearing date:
Approved date:
License number:

D. Total number of stakes races by breed:

| | | | | | |
|--------------------------------|---------------|--------------------------------|----------------|----------------------|------------|
| <input type="text" value="3"/> | Thoroughbreds | <input type="text" value="1"/> | Quarter Horses | <input type="text"/> | Appaloosas |
| <input type="text" value="1"/> | Arabians | <input type="text"/> | Paints | <input type="text"/> | Mules |

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each.

2006 SOLANO COUNTY FAIR STAKES RACES PROPOSED
(Subject to approval of Breed Associations)

THOROUGHBRED:

Vacaville Handicap – 26th Running \$50,000 Guaranteed Sat., July 15th
Fillies and Mares 3 years and up – 6 furlongs

QUARTER HORSE:

Solano Quarter Horse Derby – 14th Running \$10,000 Guaranteed Sun., July 16th
3 Year Olds – 400 Yards

ARABIANS:

Vallejo Arabian Handicap – 8th Running \$10,000 Guaranteed Sat., July 22th
3 Year Olds and Upward – 6 Furlongs

***TENTATIVE PROPOSED THOROUGHBRED OVERNIGHT STAKES**

Fairfield Stakes – 28th Running \$40,000 Added Sat., July 22nd
Fillies 3 Years Old – 6 Furlongs (Plus up to \$12,000 for Cal-Breds)

Mick Freese/Solano County Juvenile Filly Stakes – 44th Running \$50,000 Added - Sun., July 23rd
Fillies 2 Years Old – 5 ½ Furlongs (Includes \$10,000 from Cal-Bred Race Fund)
Bred in California

F. Will provisions be made for owners and trainers to use their own registered colors?

☒ Yes ☐ No If no, what racing colors are to be used:

F. List all post times for the daily racing program:

| | | | |
|-------------------|-------------------|-------------------|------------------|
| Race 1 | 12:45 p.m. | Race 2 | 1:13 p.m. |
| Race 3 | 1:45 p.m. | Race 4 | 2:16 p.m. |
| Race 5 | 2:45 p.m. | Race 6 | 3:15 p.m. |
| Race 7 | 3:45 p.m. | Race 8 | 4:15 p.m. |
| Race 9 | 4:45 p.m. | Race 10 | 5:15 p.m. |
| Race 11 ** | 5:45 p.m. | Race 12 ** | 6:15 p.m. |

**** When applicable**

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

A. Names of the fair directors:

Cyndy Gill, President
Denese Allen

Donald Heinitz, Vice-President
Rebecca Barnes-Lipman

Marilyn Royse, Treasurer
Raymond Bell

Joe Lopez
Patricia Moreira
Raymond Simonds

- B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program:

David Hamilton
Joe Lopez

- C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, other than those listed in 9B, who will be listed in the official program:

General Manager and Director of Racing
Deputy General Manager
Racing Secretary
Racing Operations Manager On Site
Mutuel Manager
Track Announcer
Satellite Manager
Track Superintendent

5. PURSE PROGRAM

- A. Purse distribution:

1. All races other than stakes:

| | |
|------------------------|-------------|
| Current meet estimate: | \$1,226,063 |
| Prior meet actual: | \$1,226,063 |

2. Overnight stakes:

| | |
|------------------------|---|
| Current meet estimate: | \$80,000 (Not including \$10,000 from CTBA) |
| Prior meet actual: | \$80,000 |

3. Non-overnight stakes:

| | |
|------------------------|----------|
| Current meet estimate: | \$70,000 |
| Prior meet actual: | \$70,000 |

- B. Funds to be generated for all California-bred incentive awards:

| | |
|------------------------|-----------|
| Current meet estimate: | \$134,224 |
| Prior meet actual: | \$134,224 |

- C. Payment to each recognized horsemen's organization contracting with the fair: **\$64,736**

Current meet estimate: _____ Prior meet actual: _____

| | | |
|--------------|-----------------|-----------------------|
| CTT | \$ 4,476 | \$ 4,476 |
| TOC | \$ 8,953 | \$ 8,953 |
| NTRA | \$12,064 | \$12,064 |
| PCQHRA | \$ 1,079 | \$ 1,079 |
| CWAR | \$ 392 | \$ 392 |
| ARAC | \$ 6,946 | \$ 6,946 |
| AMRA | \$ 3,968 | \$ 3,968 |
| CHBPAPEN | \$13,429 | \$13,429 |
| CTHF | \$13,429 | \$13,429 |
| Total | \$64,736 | Total \$64,736 |

- D. Amount from all sources to be distributed at the meeting in the form of purses or other benefits to horsemen (5A+5B+5C):
 Current meet estimate: **\$1,575,023**
 Prior meet actual: **\$1,575,023 (Does not include \$87,930 in starter fees)**
- E. Purse funds to be generated from on-track handle and intrastate off-track handle:
 Current meet estimate: **\$1,264,412**
 Prior meet actual: **\$1,264,412**
- F. Purse funds to be generated from interstate handle:
 Current meet estimate: **\$ 176,387**
 Prior meet actual: **\$ 176,387**
- G. Bank and account number for the Paymaster of Purses' purse account:
WestAmerica Bank – Account number: 601064512
Paymaster functions supplied under agreement with CARF.
- H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Disher Accountancy Corp., 1816 Maryal Drive, Sacramento, 95864 (916) 482-4224

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the fair and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **864**
(Option to use portable stalls, dependent on number of horses available)

- B. Minimum number of stalls believed necessary for the meeting: **2,300**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **3,984**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:
- | | |
|--|--------------|
| Alameda County Fair, Pleasanton | 684 |
| Golden Gate Fields, Albany | 1,400 |
| Bay Meadows, San Mateo | 900 |
| Sonoma County Fair, Santa Rosa | 1,000 |
- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.
Northern California Stabling and Vanning Fund

Complete subsections F through H if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: **964**
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per-day per stall: **-0-**
Northern California Stabling and Vanning Fund
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: **None**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

| TYPE OF WAGERS | | APPLICABLE RULES |
|----------------|--|--|
| Race #1: | \$1E, \$1Pk3, \$1Pk4, \$1Tri, \$2Q, \$2DD, \$.10SF | CHRB#1959, #1977, #1978, #1979, #1958, #1957, #1979.1 |
| Race #2: | \$1E, \$1Pk3, \$1Tri, \$2Q, \$2DD, \$.10SF | CHRB#1959, #1977, #1979, #1958, #1957, #1979.1 |
| Race #3: | \$1E, \$1Pk3, \$1Tri, \$2Q, \$2DD, \$.10SF | CHRB#1959, #1977, #1979, #1958, #1957, #1979.1 |
| Race #4: | \$1E, \$1Pk3, \$1Tri, \$2Q, \$2DD, \$.10SF, \$2PNP* | CHRB#1959, #1977, #1979, #1958, #1957, #1979.1, #1976.9 |
| Race #5: | \$1E, \$1Pk3, \$1Tri, \$2Q, \$2DD, \$.10SF, \$2PNP* | CHRB#1959, #1977, #1979, #1958, #1957, #1979.1, #1976.9 |
| Race #6: | \$1E, \$1Pk3, \$1Tri, \$2Q, \$2DD, \$.10SF, \$2PNP* | CHRB#1959, #1977, #1979, #1958, #1957, #1979.1, #1976.9 |
| Race #7: | \$1E, \$1Pk3, \$1Pk4*, \$1Tri, \$2Q, \$2DD, \$.10SF, \$2PNP* | CHRB#1959, #1977, #1978, #1979, #1958, #1957, #1979.1, #1976.9 |
| Race #8: | \$1E, \$1Pk3, \$1Pk4*, \$1Tri, \$2Q, \$2DD, \$.10SF, \$2PNP* | CHRB#1959, #1977, #1978, #1979, #1958, #1957, #1979.1, #1976.9 |
| Race #9: | \$1E, \$1Pk3, \$1Pk4*, \$1Tri, \$2Q, \$2DD, \$.10SF, \$2PNP* | CHRB#1959, #1977, #1978, #1979, #1958, #1957, #1979.1, #1976.9 |
| Race#10: | \$1E, \$1Pk3, \$1Tri, \$2Q, \$2DD, \$.10SF | CHRB#1959, #1977, #1979, #1958, #1957, #1979.1 |
| Race#11: | \$1E, \$1Tri, \$2Q, \$2DD, \$.10SF | CHRB#1959, #1979, #1958, #1957, #1979.1 |
| Race#12: | \$1E, \$1Tri, \$2Q, \$2DD, \$.10SF | CHRB#1959, #1979, #1958, #1957, #1979.1 |

***\$1Pk4 on first and last four races**

***\$2PNP pick six on last six thoroughbred races**

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool:
Monday, July 24, 2006. (Last day of racing.)
- C. List any options requested with regard to exotic wagering: **None**
- D. Will "advance" or "early bird" wagering be offered? ☐ Yes ☒ No
If yes, when will such wagering begin:
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract: **Scientific Games Racing (David Payton). Agreement expires September 30, 2006**
Equipment description on file with Board

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the fair to conduct simulcast wagering:
California Authority of Racing Fairs
Northern California Off-Track Wagerig, Inc. (NOTWINC)
- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file with the Board**
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal:
All California Facilities authorized to accept the signal
- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal: **Attached**
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair:
Attached
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":
Attached

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

| Name of Host Track | Race Dates | Full Card or Selected Feature and/or Stakes Races |
|--------------------|------------|---|
|--------------------|------------|---|

2006 Northern California Racing Fairs – Simulcast

8 Simulcast Wagering Program

- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
 E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair.

Prepared 3/29/06

Separate:

| | |
|---|-------|
| Arima Race Club | TRINI |
| Caliente (MIR) | CA |
| Caymanas Park | JAM |
| Flamboro Downs | CAN |
| Fraser Downs | CAN |
| Hastings Entertainment Inc. | CAN |
| Hippodromo Presidente Remon (MIR) | MEX |
| IWS/International Wagering Sytems, Inc. | CA |
| Las Vegas Dissemination Co. | NV |
| Stevenson & Associates, Inc. | MD |
| Teletheatre BC | CAN |
| Woodbine Entertainment Group | CAN |

Commingled:

| | |
|--------------------------------------|-----|
| Acoma Pueblo | NM |
| AmericaTab | OH |
| AmWest Entertainment | SD |
| Arapahoe Park | CO |
| Arlington International Racecourse | IL |
| Atlantic City Casino Assn. | NJ |
| Atlantic City Race Course | NJ |
| Atlantis Paradise Island Casino | FL |
| Atokad Downs | NE |
| Balmoral Park / Maywood | IL |
| Bettor Racing OTB/Royal River | SD |
| Beulah Park | OH |
| Birmingham Race Course | AL |
| Blue Ribbon Downs | OK |
| Bluffs Run Greyhound Park & Casino | IA |
| Boyd Gaming, d/b/a Delta Downs | LA |
| Buffalo Trotting Association | NY |
| Calder Race Course | FL |
| Canterbury Park | MN |
| Capital Regional District OTB | NY |
| Capitol Racing at Western Idaho Fair | ID |
| Capitol Sports Pty Ltd. | AUS |
| Catskill Regional OTB | NY |
| Charles Town Race Course | WV |
| Choctaw Racing Services, LLC | OK |
| Churchill Downs | KY |
| Coeur d' Alene Casino | ID |
| Coeur d' Alene Casino Phone | ID |
| Coeur d' Alene Greyhound Park | ID |
| Comanche Nation Games | OK |
| Connecticut OTB | CT |
| Corpus Christi Greyhound Race Track | TX |
| Crystal Palace Casino | BA |
| Crystal Palace Casino | BAH |
| Dairyland Greyhound Park | WI |
| Darwin (International) All-Sports | AUS |
| Delaware Park | DE |
| Delta Downs (Boyd Gaming) | LA |
| Dover Downs | DE |

| | |
|--|----|
| Downs at Albuquerque | NM |
| Dubuque Greyhound | IA |
| Elite Turf Club | |
| Ellis Park | KY |
| Emerald Downs | WA |
| Equus St Thomas Racing | VI |
| Euro Off-Track | FL |
| European Simulco AKA MEC Sport & Entertainment | CA |
| Evangeline Downs | LA |
| Excelsior Casino (Via Suffolk) | AR |
| Fair Grounds Race Course | LA |
| Fair Meadows at Tulsa | OK |
| Fairmount Park | IL |
| Finger Lakes Race Track | NY |
| Fire Lakes Casino | OK |
| Fonner Park | NE |
| Freehold Raceway | NJ |
| Geneva Lakes Kennel Club | WI |
| Gillespie County Fair Race Meet | TX |
| Great Lakes Downs | MI |
| Gulf Greyhound Park | TX |
| Gulf Greyhound Park @ Post Falls | ID |
| Gulfstream Park | FL |
| Harrington Raceway AKA Midway Slots | DE |
| Hawthorne National LLC | IL |
| Hazel Park | MI |
| Hinsdale Greyhound Park | NH |
| Holiday Beach | |
| Hoosier Park | IN |
| Horsemen's Park | NE |
| Indiana Downs | IN |
| International All Sports | OH |
| International Wagering Sytems, Inc. | CA |
| Jackson Harness Raceway | MI |
| Keeneland Association | KY |
| Kentucky OTB's | KY |
| Lebanon Raceway | OH |
| Les Bois Park Simulcast Network | ID |
| Lewiston Raceways, Inc. | ME |
| Lien Games, Inc. | ND |
| Lincoln Greyhound Park | RI |
| Lone Star Race Park Ltd. | TX |
| Louisiana Downs (Harrah's) | LA |
| LVDC/Atlantis Paradise Island Casino, Bahamas | NV |
| LVDC/Cities of Gold Sports Bar (Pojoaque), NM | NV |
| LVDC/Comanche Nation Games, OK | NV |
| LVDC/Elite Turf Club, Curacao | NV |
| LVDC/Fire Lakes Entertainment | NV |
| LVDC/Foxwoods Resorts Casino, CT | NV |
| LVDC/Holiday Beach, Cuaraco | NV |
| LVDC/Meskaki Bingo & Casino, IA | NV |
| LVDC/Red River Casino, OK | NV |
| LVDC/Spirit Mountain Casino, OR | NV |
| LVDC/The Stables, OK | NV |
| LVDC/Tonkawa Bingo, OK | NV |

| | |
|---|-----|
| Manor Downs | TX |
| Maryland Jockey Club | MD |
| Meadowlands (NJSEA) | NJ |
| Midway Slots & Simulcast/Harrington Raceway | DE |
| Montana Simulcast Partners | MT |
| Monticello Raceway | NY |
| Mount Pleasant Meadows | MI |
| Mountaineer Park | WV |
| Nassau/Suffolk OTB | NY |
| Nevada Pari-Mutuel Association | NV |
| New Jersey Sports & Exposition Authority | NJ |
| New York City Off-Track Betting | NY |
| New York Racing Association | NY |
| Newport Jai-Alai | RH |
| Northfield Park | OH |
| Northville Downs | MI |
| Northville Downs Corp. | MI |
| Oaklawn Park | AR |
| Ocean Downs | MD |
| Penn National Race Course | PA |
| Philadelphia Park | PA |
| Plainridge Race Course | MA |
| Pocono Downs | PA |
| Portland Meadows | OR |
| Prairie Meadows | IA |
| Raceway Park | OH |
| Racing & Gaming Services, Inc. | WI |
| Randall James Racetrack | |
| Raynham-Taunton Greyhound Park | |
| Remington Park | OK |
| Retama Park | TX |
| River Downs | OH |
| Rockingham Park | NH |
| Rosecroft Raceway | MD |
| Royal Beach Casino | |
| Royal River Racing (Bettor Racing OTB) | ID |
| Ruidoso Downs | NM |
| Saginaw Harness Raceway | MI |
| Sam Houston Race Park, LTD | TX |
| Saratoga Raceway | NY |
| Scarborough Downs | ME |
| Scioto Downs | OH |
| Seabrook Greyhound | NH |
| Southland Greyhound Park | AR |
| Sports Creek Raceway | MI |
| State Fair Park | NE |
| Stevenson & Associates, Inc. (Common) | MD |
| Stevenson & Associates, Inc., (Books) | MD |
| Suffolk Downs | MA |
| Suffolk Downs OTB | MA |
| Suffolk Regional OTB | NY |
| Sunland Park | NM |
| SunRay Park | NM |
| Tampa Bay Downs | FL |
| The Greyhound Park at Post Falls | ID |
| The Meadows | PA |
| The Racing Channel, Inc. (Domestic) | OR |
| The Racing Network International, Inc. | OR |
| The Texas Hub at Gulf Greyhound | TX |
| Thistledown Racing | OH |
| Tote Investment Group | |
| Tri-State Racetrack & Gaming Center | WV |
| Turf de Venezuela | VEN |
| Turf Paradise | AZ |
| Turfway Park | KY |
| TVG Network | CA |

| | |
|---|----|
| U.S. Off Track, LLC | FL |
| Valley Greyhound Park (Via Sam Houston) | TX |
| Vernon Downs | NY |
| Western Regional OTB | NY |
| Wheeling Downs | WV |
| Wichita Greyhound Park | KS |
| Wonderland Greyhound Park | MA |
| Woodlands | KS |
| Wyoming OTB | WY |
| XpressBet, Inc | CA |
| Yavapai | AZ |
| Yonkers Raceway | NY |
| Youbet | CA |
| Zia Park Racetrack | NM |

2006 Northern California Racing Fairs – Simulcast

8 Simulcast Wagering Program

F. List the host tracks from which the fair proposed to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

| | | |
|--------------------------|----------------------|------------------------------|
| <i>Arlington Park</i> | <i>6/15-9/18/06</i> | <i>Full or Partial Cards</i> |
| <i>Assiniboia Downs</i> | <i>6/15-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Australia</i> | <i>6/15-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Calder</i> | <i>6/15-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Canterbury Park</i> | <i>6/15-9/5/06</i> | <i>Full or Partial Cards</i> |
| <i>Churchill Downs</i> | <i>6/15-7/10/06</i> | <i>Full or Partial Cards</i> |
| <i>Delaware Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Ellis Park</i> | <i>7/13-9/5/06</i> | <i>Full or Partial Cards</i> |
| <i>Fort Erie</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Hastings Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Hawthorne</i> | <i>9/23-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Hoosier Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Laurel Park</i> | <i>8/10-8/26/06</i> | <i>Full or Partial Cards</i> |
| <i>Lone Star</i> | <i>6/14-7/17/06</i> | <i>Full or Partial Cards</i> |
| <i>Louisiana Downs</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Meadowlands</i> | <i>9/30-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Monmouth Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Northlands Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>NYRA</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Penn National</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Philadelphia Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Pimlico</i> | <i>9/8-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Prairie Meadows</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Remington Park</i> | <i>8/5-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Suffolk Downs</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Thistledown</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Timonium</i> | <i>8/27-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Turfway Park</i> | <i>9/7-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Woodbine</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |

- G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:
N/A

OTHER BREED SIMULCAST RACES TO BE IMPORTED

| Name of Host Track | Breed of Horse | Race Dates | Number of Races to be Imported |
|--------------------|----------------|------------|--------------------------------|
|--------------------|----------------|------------|--------------------------------|

- H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT: All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:
- | | |
|------------------------------|--|
| Association Veterinarian(s): | Robert Connelly, DVM (Track) |
| Clerk of Scales: | Gary Lawless |
| Asst. Clerk of Scales: | Danny Winick |
| Clerk of the Course: | Dolores Collins, (E Breeds) and Anne Daftry (Thoroughbreds) |
| Asst. Clerk of the Course: | Tina Walker |
| Film Specialist: | James Dreyer |
| Horse Identifier: | Patrick Kealy |
| Horseshoe Inspector: | Jack Hammonds |
| Paddock Judge: | Joe Gibson |
| Patrol Judges: | Paul Nicolo |
| | James Dreyer |
| Placing Judges: | Kenneth Sjordal |
| | Ella Robinson |
| Starter: | Robert Mooneyhan |
| Timer: | Melody Truitt - CARF |
- B. Management officials in the racing department:
- | | |
|-------------------------------------|---------------------------|
| Director of Racing: | Joseph Barkett |
| Racing Secretary: | C. Greg Brent |
| Assistant Racing Secretary: | Linda Anderson |
| Paymaster of Purses: | Vicki Layne - CARF |
| Others (identify by name and title) | |

- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:
Niccoli Reporting Associates, 619 Pilgrim Drive, Foster City, CA 94404, (650) 573-9339
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
PLUSMIC Corporation, USA (William O'Brien) Agreement expires December 7, 2007.
- E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. **Pegasus Communications, Inc. (Jim Porep),
Agreement Expires April 30, 2008, Equipment on file with the Board
Three cameras in towers, one hand held camera, one pan camera in announcer's booth.**
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
**Pegasus Communications, Inc. (Jim Porep)
Agreement Expires April 30, 2008, Equipment on file with the Board**

10. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
Mark Coffman, Solano County Fair Security Coordinator, (707) 551-2013
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:
- | | |
|---|--|
| Security Guards – Average of 6 per day | Stable Gate Personnel – 3 |
| Stable Watchmen – 2 | Grandstand - 2 Sheriff's Deputies |
| Backstretch Rovers - 2 | |
1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. N/A
 2. Detention Barns:
 - A. Attach a plan for use of graded stakes or overnight races. N/A
 - B. Number of security guards in the detention barn area during a 24-hour period. N/A
 - C. Describe number and location of surveillance cameras in detention barn area. N/A
 3. TCO2 Testing:
 - A. Number of races to be tested, and number of horses entered in each race to be tested.
All thoroughbred races and horses.
 - B. Plan for enhanced surveillance for trainers with high-test results.
Trainer with high test results will be moved to detention barns.

2006 Solano County Fair- Backstretch Security

Joe Barkett
General Manager
(707) 551-2001
jbarkett@scfair.org

|

Mark Coffman
Security Manager
(707) 551-2013
cell (707) 333-5357
mcoffman@scfair.org

|

Fred Cavalli, Jr.
Security Supervisor
(707) 551-2013
cell (707) 310-7614
fcavalli@scfair.org



Law Enforcement
Solano County Sheriff
(707) 421-7010
Sgt. Eric Bradford
cell (707) 580-512
ebradford@solanocounty.com

SCFA Fair Security
Guest Safety Staff
(707) 551-2013

|

On-Duty Backstretch
cell (707) 333-9645

Private Security
Service-Pro Security
Owner-Bob Edwards
(707) 425-9346

C. Plan for detention barns for repeat offenders.

Ten (10) stalls adjacent to Testing Barn, under 24 hour video surveillance.

D. Number of security personnel assigned to the TCO2 program.

One (1) 24 security guard when detention stalls are occupied.

C. Describe the electronic security system. **See 3C above.**

1. Location and number of video surveillance cameras for the detention barn and stable gate.

See 3D above.

11. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

Medic Ambulance Service, 506 Couch Street, Vallejo, CA 94590, (707) 644-8989

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

**Alameda County Fair
American Medical Response
640 143rd Street
San Leandro, CA 94577
(510) 895-7600**

**Sonoma County Fair
Sonoma Life Support
1415 N. Dutton Ave., Suite C
Santa Rosa, CA 95401
(707) 579-9542**

**Bay Meadows
Bay Shore Ambulance
P.O. Box 4622
Foster City, CA 94404
(650) 525-9700**

**Golden Gate Fields
Turf Rescue LLC
19615 Barclay Road
Castro Valley, CA 94546
(510) 581-8470**

C. Attach a fire clearance from the fire authority having jurisdiction over the premises.

Vallejo Fire Department – Fire Inspection Scheduled for April 18, 2006 at 10 AM.

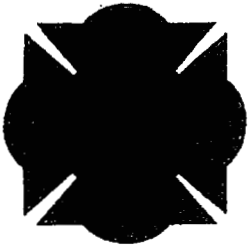
D. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers' compensation. **Attached**

12. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

**Food and Beverage Service
Superior Global Food Service Company. Inc.
1169 Chess Drive, Unit H
Foster City, CA 94404**

**Jockey's Laundry
Bailey Mobile Laundry
3263 Vineyard Avenue #25
Pleasanton, CA 94566**



**VALLEJO FIRE DEPARTMENT
FIRE PREVENTION DIVISION**

251 Georgia Street, Vallejo, CA 94590 (707) 648-4565 Fax (707) 648-5214

MISCELLANEOUS INSPECTION

FACILITY NAME: Solano Co. Fairgrounds DATE: 4-18-06
 ADDRESS: 900 Fairgrounds Dr. OCCUPANCY TYPE: _____
 BUSINESS OWNER(S): _____ PHONE: _____
 ON-SITE CONTACT PERSON: AL CHANCELLOR PHONE: 707-373-8434

1. SHEEP BARN Fire EXTINGUISHERS max mount to be [OTHER TOP] 5 FT. FROM GROUND & LIKE STOCK Bldg & ROCK (GEM & mineral) ROOM & KITCHEN AREA of GIBSON HALL.
2. SECURITY OFFICE EXIT DOOR MUST BE OPENABLE WITHOUT SPECIAL KNOWLEDGE OR EFFORT & ENTIRE ADMINISTRATION OFFICE
3. MAKE FIRE EXTINGUISHER of ADMIN. OFFICE VISIBLE (FRONT OFFICE)
4. CHIEF OFFICE DOORS MUST BE OPENABLE WITHOUT SPECIAL KNOWLEDGE OR EFFORT

Fee Due (if applicable): \$ _____

Al Chancellor
 Business Owner/Representative

Reinspection Date: 30 DAYS

[Signature]
 Fire Prevention Division

Fire Clearance Granted: 5/12/06
 (date/initials)

Fire Clearance Denied: _____
 (date/initials)



February 23, 2006

To: California Horse Racing Board (CHRB)
Attn: Pat Noble
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: Solano County Fair Association
900 Fairgrounds Drive
Vallejo, CA 94589

Please be advised that the Solano County Fair Association is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

- A. Primary Coverage \$1,000,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage \$9,000,000 in excess of \$1,000,000
Coverage provided by Insurance Company of the State of Pennsylvania
Term: 01/01/2006 to 01/01/2007

II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: \$149,500,000 in excess of \$500,000
(b) Employers' Liability: \$4,500,000 in excess of \$500,000
Coverage provided by California Public Entity Insurance Authority
Term: 07/01/2005 to 07/01/2006

CFSA represents to CHRB that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the Solano County Fair Association as set forth in CHRB's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

Charles A. Mitchell

Risk Manager

A Joint Powers Authority comprised of the State of California, Department of Food & Agriculture, the counties of Humboldt, Lassen, Madera, Mendocino, Monterey, Placer, Plumas, San Benito, San Joaquin, San Mateo, Santa Clara, Solano, Sonoma and Trinity, and the California Exposition and State Fair.

Tip Sheets

Jan Reed
Nikki's Secrets
P.O. Box 70207
Pt. Richmond, CA 94807-0207

Sound System

Vernon French
879 Brookdale Avenue
Vallejo, CA 94590

Winner's Circle Photographs

Patricia Visco
5024 Katella Avenue, #214
Los Alamitos, CA 90720-2822

Armored Car Services

NOTWINC
11875 Dublin Blvd.
Dublin, CA 94568

Program Printing

Daily Racing Form
100 Broadway
New York, NY 10005

Starting Gate

United/Puett Start Gate Co.
Michael Costello
1 Soundview Loop
South Salem, NY 10590

13. ON-TRACK ATTENDANCE/FAN DEVELOPMENT**A. Describe any promotional plans:**

Free Parking and Admission on July 12, 13, and 24, 2006

Win Place Show Promotion after 8th Race each day.

Golfing Putting Contest each day of racing, race to be determined.

Promotional giveaway of souvenir key chain or similar item on one day of racing.

\$2.00 Admission until 2:00 PM each day of racing

B. Number of hosts and hostesses employed for meeting: 8**C. Describe facilities set aside for new fans: Handicapping Seminars will be hosted on Friday, Saturday and Sundays prior to first post in the Clubhouse.****D. Describe any improvements to the physical facility in advance of the meeting that directly benefits:**

1. Horsemen: **Upgrade drainage in the shed rows and surrounding the new wash racks installed last year.**

2. Fans: **None**

3. Facilities in the restricted areas: **Horsemen's dormitories will be repainted.**

14. SCHEDULE OF CHARGES**A. Proposed charges, note any changes from previous year:**

| | |
|------------------------------|--|
| Admission (general) | \$8.00 Adult, \$4.00 Child and Senior Citizen |
| Admission (clubhouse) | N/A |
| Reserved seating (general) | \$4.00 |
| Reserved seating (clubhouse) | \$3.50 |
| Parking (general) | \$6.00 |
| Parking (preferred) | N/A |
| Parking (valet) | N.A |
| Programs (on-track) | \$1.50 |

(off-track) \$2.00

- B. Describe any "Season Boxes" or other special accommodation fees:
Daily sales of box seats at \$3.50 for upper boxes and \$4.00 for lower boxes, \$3.50 for Clubhouse Season Box Seats:
Upper Box (6 seats) = \$400, Lower (Premier) Box (8 seats) = \$500
Lower (Outer) Box (8 seats) = \$400, Clubhouse (4 seats) = \$200
(All Box Packages include season gate admission and season parking passes)
- C. Describe any "package" plans such as combined parking, admission and program: **None**

15. JOCKEYS' QUARTERS

- A. Check the applicable amenities available in the jockeys' quarters:
- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Corners (lockers and cubicles) | How many | <input type="text" value="50"/> |
| <input checked="" type="checkbox"/> Showers | <input checked="" type="checkbox"/> Steam room, sauna or steam cabinets | <input checked="" type="checkbox"/> Lounge area |
| <input checked="" type="checkbox"/> Masseur | <input checked="" type="checkbox"/> Food/beverage service | <input checked="" type="checkbox"/> Certified platform scale |
- B. Describe the quarters to be used for female jockeys: **Modular locker room facility provided with: showers, restrooms, lounge area, steam cabinet and masseuse. Certified scale shared by both jockeys and jockettes.**

16. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by **Chief Investigator Frank Moore 4/26/2006.**
- B. Number of rooms used for housing on the backstretch of the racetrack:
20 sleeping rooms with the potential of 40 occupants; 16 dormitory rooms with the potential of 32 occupants and one dormitory trailer that will house 10 occupants
- C. Number of restrooms available on the backstretch of the racetrack: **6 Men and 6 Women**
- D. Estimated ratio of restrooms to the number of backstretch personnel: **1 Rest Room to 25 personnel.**

17. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Outer Railing – New Fontana Rail – average height 42"
Inner Railing – "The Fontana Safety Rail" installed in 1991 – aluminum
Safety Cover is of patented rubber and thermoplastic. Average height of inside rail is 42"
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards

pursuant to CHRB Rule 1474:

Larry Swartzlander, Director of Racing Operations On-Site
Steve Wood, Trackmasters, Track Superintendent

- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file with the Board**
- E. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

18. DECLARATIONS

- A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No Exceptions**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.
- C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No Exceptions**
- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state): **No Exceptions**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

19. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

Joseph Barlett
Print Name

General Manager
Print Title

Joseph Barlett
Signature

4-13-06
Date

STAFF ANALYSIS

May 25, 2006

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE SONOMA COUNTY FAIR AT SANTA ROSA JULY 26, 2006 THROUGH AUGUST 7, 2006.

Sonoma County Fair filed its application to conduct a horse racing meeting at Santa Rosa:

- July 26 through August 7, 2006, or 12 days, the same as 2005. The fair proposes to race a total of 132 races, one race less than 2005.

| July - 2006 | | | | | | |
|-------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | | | 1 |
| 2 | 3 | 4 H | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 | | | | | |

| August - 2006 | | | | | | |
|---------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |
| | | | | | | |

- Racing Wednesday through Monday, with 10 races per day Monday, Wednesday and Thursday, 12 Friday, Saturday and Sunday.
 - Number of horses available determines the number of daily races programmed by breed.
 - 2005 Race Meeting: Average number of runners per race (TB): 7.8
 - 2005 Race Meeting: Average number of runners per race (Arabian): 6.4
 - 2005 Race Meeting: Average number of runners per race (Appaloosa): 5.5
 - 2005 Race Meeting: Average number of runners per race (Quarterhorse): 7.0
 - 2005 Race Meeting: Average number of runners per race (Mules): 6.6
- Racing concurrently Del Mar July 26 - August 7.
- First post 12:45 p.m. Saturday through Thursday. 2:15 p.m. post on Friday.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering will not be offered.
- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

RECOMMENDATION:

Staff recommends the Board approve the application as presented.

STATE OF CALIFORNIA
 CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF A CALIFORNIA FAIR
 CHRB-18 (Rev. 7/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

- A. Name, mailing address, telephone and fax numbers of fair:

Sonoma County Fair **707-571-1306**
PO Box 1536 **707-573-9342 FAX**
Santa Rosa, CA 95402

- B. Fair association is a: ☐ District Fair ☒ County Fair ☐ Citrus Fruit
 ☐ California Exposition and State Fair ☐ Other Qualified Fair

NOTICE TO APPLICANT Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

- A. Inclusive dates of race meeting: **July 26- August 7, 2006**
 B. Dates racing will NOT be held: **August 1**
 C. Total number of racing days: **12**

3. RACING PROGRAM

- A. Total number of races: **132**
 B. Number of races by breed:
 Thoroughbreds Quarter Horses Appaloosas
 Arabians Paints Mules
 C. Number of races daily:

| | Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|--------------|--------|--------|---------|-----------|----------|--------|----------|
| Thoroughbred | 9 | 7 | 0 | 8 | 8 | 9 | 9 |
| Other Breeds | 3 | 3 | 0 | 2 | 2 | 3 | 3 |
| Total | 12 | 10 | 0 | 10 | 10 | 12 | 12 |

D. Total number of stakes races by breed:

| | | |
|--|---|---|
| <input type="text" value="4"/> Thoroughbreds | <input type="text" value="2"/> Quarter Horses | <input type="text" value="0"/> Appaloosas |
| <input type="text" value="2"/> Arabians | <input type="text" value="0"/> Paints | <input type="text" value="0"/> Mules |

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. **Attached**

F. Will provisions be made for owners and trainers to use their own registered colors?

☒ Yes ☐ No If no, what racing colors are to be used:

G. List all post times for the daily racing program:

| Race Number | Saturday through Thursday | Friday |
|-------------|---------------------------|-----------|
| Race # 1 | 12:45 p.m. | 2:15p.m. |
| Race # 2 | 1:15 p.m. | 2:45p.m. |
| Race # 3 | 1:45 p.m. | 3:15 p.m. |
| Race # 4 | 2:15 p.m. | 3:45p.m. |
| Race # 5 | 2:45 p.m. | 4:15 p.m. |
| Race # 6 | 3:15 p.m. | 4:45p.m. |
| Race # 7 | 3:45 p.m. | 5:15p.m. |
| Race # 8 | 4:15 p.m. | 5:45 p.m. |
| Race # 9 | 4:45 p.m. | 6:15 p.m. |
| Race # 10 | 5:15 p.m. | 6:45 p.m. |
| Race # 11 | 5:45 p.m. | 7:15 p.m. |
| Race # 12 | 6:15 p.m. | 7:45 p.m. |

Post times will be coordinated with those of Del Mar, attempting to separate by 15 minutes

NOTICE TO APPLICANT Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

A. Names of the fair directors: **Ralph Bettinelli, Steve Butler, Shari Degraffenreid, Herman Hernandez, Dave Lewers, Ross Liscum, Tom Nunes, Annette O'Kelley, Leslie Perry, Mike Runyan, John Serres, Johanna Vanoni, Gerald Villarrael, Tony Withington, Bev Palm**

B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program: **Tony Withington, Chair Steve Butler, Ralph Bettinelli, John Serres, Ross Liscum, Shari DeGraffenreid**

C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, **other than those listed in 9B**, who will be listed in the official program: **Corey Oakley, Manager /CEO**

2006 PROPOSED STAKES SCHEDULE

Sat. August 5th JOSEPH T. GRACE HANDICAP (TURF)
 (35th Running) \$100,000 Guaranteed
 For three-year olds and upward - One and 1/16 Miles

2006 PROPOSED OVERNIGHT STAKES SCHEDULE

Sat. July 29th LUTHER BURBANK HANDICAP (TURF)
 (36th Running) \$50,000 Guaranteed
 (Plus up to \$16,500 for Cal-Breds)
 For fillies and mares three-years old and upward - One and 1/16 Miles

Sun. July 30st ERNEST FINLEY HANDICAP
 (28th Running) \$50,000 Guaranteed
 (Plus up to \$15,000 for Cal-Breds)
 For three-year olds and upward - Six Furlongs

Sun. August 6^h CAVONNIER JUVENILE (Formerly run as REDWOOD EMPIRE STAKES)
 (39th Running) \$50,000 Guaranteed
 (Plus up to \$15,000 for Cal-Breds)
 For two-year olds - Five and One-half Furlongs

2006 PROPOSED STAKES SCHEDULE EMERGING BREEDS

Sun. July 30 SANTA ROSA MARATHON
 (18th Running) \$10,000 Guaranteed
 QUARTERHORSE. For three year olds and upward - 879 yards

Sun. August 6 WINE COUNTRY DERBY
 (17th Running) \$10,000 Guaranteed
 QUARTERHORSE. Handicap for three year olds - 440 yards

Sat. July 29 SANTA ROSA ARABIAN DISTAFF
 (11th Running) \$10,000 Guaranteed
 ARABIAN. For fillies and mares three year olds and upward – Six furlongs

Sat. August 5 THE HAZEL LUCAS HANDICAP
 Sat. August 5th THE CAL WESTERN APPALOOSA DERBY
 (??th Running) \$12,000 Added (\$2,000 from ARAC?)
 ARABIAN. For three-year olds and upward – One mile

5. PURSE PROGRAM

A. Purse distribution:

1. All races other than stakes:
 Current meet estimate: **\$ 1,593,000**
 Prior meet actual: **\$ 1,599,000**
2. Overnight stakes: **\$ 150,000**
 Current meet estimate: **\$ 150,000**
3. Non-overnight stakes:
 Current meet estimate: **\$ 144,000**
 Prior meet actual: **\$ 140,000**

B. Funds to be generated for all California-bred incentive awards:

Current meet estimate: **\$ 155,105**
 Prior meet actual: **\$ 155,105**

C. Payment to each recognized horsemen's organization contracting with the fair:

| | Current Meet Estimate | Prior Meet Actual |
|-----------------|-----------------------|-------------------|
| CTT | \$ 6,075 | \$ 6,075 |
| TOC | \$ 12,151 | \$ 12,151 |
| NTRA | \$ 20,631 | \$ 20,631 |
| PCQHRA | \$ 6,451 | \$ 6,451 |
| CWAR | \$ 3,038 | \$ 3,038 |
| ARAC | \$ 14,059 | \$ 14,059 |
| AMRA | \$ 12,374 | \$ 12,374 |
| CHBPAPEN | \$ 18,226 | \$ 18,226 |
| CTHF | \$ 18,226 | \$ 18,226 |
| TOTAL | \$ 111,231 | \$ 111,231 |

D. Amount from **all sources** to be distributed at the meeting in the form of purses or other Benefits to horsemen (5A+5B+5C):

Current meet estimate: **\$ 2,153,336**
 Prior meet actual : **\$ 2,155,336**

E. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: **\$ 2,151,000**
 Prior meet actual: **\$ 1,885,000**

- F. Purse funds to be generated from interstate handle:
 Current meet estimate: **\$ 270,000**
 Prior meet actual: **\$ 270,000**
- G. Bank and account number for the Paymaster of Purses' purse account:
West America Bank (C.A.R.F.) Account No: 0601064512
- H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Disher Accountancy Corp., 1816 Maryal Dr., Sacramento, CA 95864 (916-482,4224)

NOTICE TO APPLICANT All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the fair and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held:
1,100
- B. Minimum number of stalls believed necessary for the meeting:
2,000
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **2,100**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:

| | |
|---|---------------------|
| Bay Meadows, San Mateo, California | 700 stalls |
| Golden Gate Fields, Albany, California | 1,400 stalls |

- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.

Northern California Stabling and Vanning Fund

Complete subsections F through H if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available **on-site** for the 1986 meeting: **1,100**
- G. Estimated cost to provide **off-site** stalls for this meeting. Show cost per-day per stall:
Northern California Stabling and Vanning Fund
- H. Estimated cost to provide **vanning** from off-site stalls for this meeting. Show fees to be paid for vanning **per-horse**: **None**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for Superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

| | <u>TYPE OF WAGERS</u> | <u>APPLICABLE RULES</u> |
|--------------|---|---|
| Example Race | \$1 E; \$1 Double | CHRB #1959; RCI #VE |
| Race #1 | \$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, | CHRB #1959,1977, 1979, 1958, 1957, 1979.1 |
| Race #2 | \$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, | CHRB#1959,1977, 1979, 1958, 1957, 1979.1 |
| Race #3 | \$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$1PPN% \$1PK4 | CHRB#1959,1977, 1979,1958 1957, 1979.1, 1976.8 1976.9 |
| Race #4 | \$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$1PPN% | CHRB#1959,1977,1979, 1958 1957,1979.1, 1976.8 |
| Race #5 | \$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB #1959,1977,1979, 1958 1957, 1979.1, 1976.9, 1976.8 |
| Race #6 | \$1E, \$1PK3, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1977,1979, 1958 1957, 1979.1, 1976.9, |

1976.8

| | | |
|----------|---|--|
| Race #7 | \$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1977, 1976.9, 1979, 1958 1957,1979.1,1976.9, 1976.8 |
| Race #8 | \$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1977,1976.9,1979, 1958,1957,1979.1,1976.9, 1976.8 |
| Race #9 | \$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1977,1976.9, 1979, 1958 1957, 1979.1, 1976.9, 1976.8, |
| Race #10 | \$1E, \$1PK3, \$1PK4*, \$1TRI, \$2Q \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1977,1976.9,1958 1957,1979.1,1976.9, 1976.8 |
| Race #11 | \$1E, \$1TRI, \$2Q, \$1PK4* \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1979, 1958, 1976.9 1957,1979.1,1976.9, 1976.8 |
| Race #12 | \$1E, \$1TRI, \$2Q, \$1PK4* \$2DD, \$.10SF, \$2PNP@, \$1PPN% | CHRB#1959,1979, 1958, 1976.9 1957,1979.1,1976.9, 1976.8 |

- B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool:
August 7, 2006 (Closing Day)
- C. List any options requested with regard to exotic wagering:
\$1pk4* will be offered on the first four and last four thoroughbred races each day.
\$2Pick 6 on last 6 thoroughbred races each day
\$1 Place Pick will be begin on the first thoroughbred race and include all thoroughbred races each day.
- D. Will "advance" or "early bird" wagering be offered? ☐ Yes ☒ No
 If yes, when will such wagering begin:
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games Racing (George Brannen) Expiration: September 30, 2006.
Equipment description on file with Board.

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the fair to conduct simulcast wagering:
California Authority of Racing Fairs (Northern California Off-Track Wagering, Inc.)

- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file.**
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal:
All California facilities authorized to accept the signal.
- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
Attached
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair:
Attached
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":
Attached

NOTICE TO APPLICANT B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

| Name of Host Track | Race Dates | Full Card or Selected Feature and/or Stakes Races |
|--------------------|------------|---|
|--------------------|------------|---|

- G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

N/A

OTHER BREED SIMULCAST RACES TO BE IMPORTED

| Name of Host Track | Breed of Horse | Race Dates | Number of Races to be Imported |
|--------------------|----------------|------------|--------------------------------|
|--------------------|----------------|------------|--------------------------------|

- H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections

2006 Northern California Racing Fairs – Simulcast

8 Simulcast Wagering Program

- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair.

Prepared 3/29/06

Separate:

| | |
|--|-------|
| Arima Race Club | TRINI |
| Caliente (MIR) | CA |
| Caymanas Park | JAM |
| Flamboro Downs | CAN |
| Fraser Downs | CAN |
| Hastings Entertainment Inc. | CAN |
| Hippodromo Presidente Remon (MIR) | MEX |
| IWS/International Wagering Systems, Inc. | CA |
| Las Vegas Dissemination Co. | NV |
| Stevenson & Associates, Inc. | MD |
| Teletheatre BC | CAN |
| Woodbine Entertainment Group | CAN |

Commingled:

| | |
|--------------------------------------|-----|
| Acoma Pueblo | NM |
| AmericaTab | OH |
| AmWest Entertainment | SD |
| Arapahoe Park | CO |
| Arlington International Racecourse | IL |
| Atlantic City Casino Assn. | NJ |
| Atlantic City Race Course | NJ |
| Atlantis Paradise Island Casino | FL |
| Atokad Downs | NE |
| Balmoral Park / Maywood | IL |
| Bettor Racing OTB/Royal River | SD |
| Beulah Park | OH |
| Birmingham Race Course | AL |
| Blue Ribbon Downs | OK |
| Bluffs Run Greyhound Park & Casino | IA |
| Boyd Gaming, d/b/a Delta Downs | LA |
| Buffalo Trotting Association | NY |
| Calder Race Course | FL |
| Canterbury Park | MN |
| Capital Regional District OTB | NY |
| Capitol Racing at Western Idaho Fair | ID |
| Capitol Sports Pty Ltd. | AUS |
| Catskill Regional OTB | NY |
| Charles Town Race Course | WV |
| Choctaw Racing Services, LLC | OK |
| Churchill Downs | KY |
| Coeur d' Alene Casino | ID |
| Coeur d' Alene Casino Phone | ID |
| Coeur d' Alene Greyhound Park | ID |
| Comanche Nation Games | OK |
| Connecticut OTB | CT |
| Corpus Christi Greyhound Race Track | TX |
| Crystal Palace Casino | BA |
| Crystal Palace Casino | BAH |
| Dairyland Greyhound Park | WI |
| Darwin (International) All-Sports | AUS |
| Delaware Park | DE |
| Delta Downs (Boyd Gaming) | LA |
| Dover Downs | DE |

| | |
|--|----|
| Downs at Albuquerque | NM |
| Dubuque Greyhound | IA |
| Elite Turf Club | |
| Ellis Park | KY |
| Emerald Downs | WA |
| Equus St Thomas Racing | VI |
| Euro Off-Track | FL |
| European Simulco AKA MEC Sport & Entertainment | CA |
| Evangeline Downs | LA |
| Excelsior Casino (Via Suffolk) | AR |
| Fair Grounds Race Course | LA |
| Fair Meadows at Tulsa | OK |
| Fairmount Park | IL |
| Finger Lakes Race Track | NY |
| Fire Lakes Casino | OK |
| Fonner Park | NE |
| Freehold Raceway | NJ |
| Geneva Lakes Kennel Club | WI |
| Gillespie County Fair Race Meet | TX |
| Great Lakes Downs | MI |
| Gulf Greyhound Park | TX |
| Gulf Greyhound Park @ Post Falls | ID |
| Gulfstream Park | FL |
| Harrington Raceway AKA Midway Slots | DE |
| Hawthorne National LLC | IL |
| Hazel Park | MI |
| Hinsdale Greyhound Park | NH |
| Holiday Beach | |
| Hoosier Park | IN |
| Horsemen's Park | NE |
| Indiana Downs | IN |
| International All Sports | OH |
| International Wagering Systems, Inc. | CA |
| Jackson Harness Raceway | MI |
| Keeneland Association | KY |
| Kentucky OTB's | KY |
| Lebanon Raceway | OH |
| Les Bois Park Simulcast Network | ID |
| Lewiston Raceways, Inc. | ME |
| Lien Games, Inc. | ND |
| Lincoln Greyhound Park | RI |
| Lone Star Race Park Ltd. | TX |
| Louisiana Downs (Harrah's) | LA |
| LVDC/Atlantis Paradise Island Casino, Bahamas | NV |
| LVDC/Cities of Gold Sports Bar (Pojoaque), NM | NV |
| LVDC/Comanche Nation Games, OK | NV |
| LVDC/Elite Turf Club, Curacao | NV |
| LVDC/Fire Lakes Entertainment | NV |
| LVDC/Foxwoods Resorts Casino, CT | NV |
| LVDC/Holiday Beach, Curacao | NV |
| LVDC/Meskaki Bingo & Casino, IA | NV |
| LVDC/Red River Casino, OK | NV |
| LVDC/Spirit Mountain Casino, OR | NV |
| LVDC/The Stables, OK | NV |
| LVDC/Tonkawa Bingo, OK | NV |

| | |
|---|-----|
| Manor Downs | TX |
| Maryland Jockey Club | MD |
| Meadowlands (NJSEA) | NJ |
| Midway Slots & Simulcast/Harrington Raceway | DE |
| Montana Simulcast Partners | MT |
| Monticello Raceway | NY |
| Mount Pleasant Meadows | MI |
| Mountaineer Park | WV |
| Nassau/Suffolk OTB | NY |
| Nevada Pari-Mutuel Association | NV |
| New Jersey Sports & Exposition Authority | NJ |
| New York City Off-Track Betting | NY |
| New York Racing Association | NY |
| Newport Jai-Alai | RH |
| Northfield Park | OH |
| Northville Downs | MI |
| Northville Downs Corp. | MI |
| Oaklawn Park | AR |
| Ocean Downs | MD |
| Penn National Race Course | PA |
| Philadelphia Park | PA |
| Plainridge Race Course | MA |
| Pocono Downs | PA |
| Portland Meadows | OR |
| Prairie Meadows | IA |
| Raceway Park | OH |
| Racing & Gaming Services, Inc. | WI |
| Randall James Racetrack | |
| Raynham-Taunton Greyhound Park | |
| Remington Park | OK |
| Retama Park | TX |
| River Downs | OH |
| Rockingham Park | NH |
| Rosecroft Raceway | MD |
| Royal Beach Casino | |
| Royal River Racing (Bettor Racing OTB) | ID |
| Ruidoso Downs | NM |
| Saginaw Harness Raceway | MI |
| Sam Houston Race Park, LTD | TX |
| Saratoga Raceway | NY |
| Scarborough Downs | ME |
| Scioto Downs | OH |
| Seabrook Greyhound | NH |
| Southland Greyhound Park | AR |
| Sports Creek Raceway | MI |
| State Fair Park | NE |
| Stevenson & Associates, Inc. (Common) | MD |
| Stevenson & Associates, Inc., (Books) | MD |
| Suffolk Downs | MA |
| Suffolk Downs OTB | MA |
| Suffolk Regional OTB | NY |
| Sunland Park | NM |
| SunRay Park | NM |
| Tampa Bay Downs | FL |
| The Greyhound Park at Post Falls | ID |
| The Meadows | PA |
| The Racing Channel, Inc. (Domestic) | OR |
| The Racing Network International, Inc. | OR |
| The Texas Hub at Gulf Greyhound | TX |
| Thistledown Racing | OH |
| Tote Investment Group | |
| Tri-State Racetrack & Gaming Center | WV |
| Turf de Venezuela | VEN |
| Turf Paradise | AZ |
| Turfway Park | KY |
| TVG Network | CA |

| | |
|---|----|
| U.S. Off Track, LLC | FL |
| Valley Greyhound Park (Via Sam Houston) | TX |
| Vernon Downs | NY |
| Western Regional OTB | NY |
| Wheeling Downs | WV |
| Wichita Greyhound Park | KS |
| Wonderland Greyhound Park | MA |
| Woodlands | KS |
| Wyoming OTB | WY |
| XpressBet, Inc | CA |
| Yavapai | AZ |
| Yonkers Raceway | NY |
| Youbet | CA |
| Zia Park Racetrack | NM |

2006 Northern California Racing Fairs - Simulcast

8 Simulcast Wagering Program

F. List the host tracks from which the fair proposed to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

| | | |
|--------------------------|----------------------|------------------------------|
| <i>Arlington Park</i> | <i>6/15-9/18/06</i> | <i>Full or Partial Cards</i> |
| <i>Assiniboia Downs</i> | <i>6/15-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Australia</i> | <i>6/15-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Calder</i> | <i>6/15-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Canterbury Park</i> | <i>6/15-9/5/06</i> | <i>Full or Partial Cards</i> |
| <i>Churchill Downs</i> | <i>6/15-7/10/06</i> | <i>Full or Partial Cards</i> |
| <i>Delaware Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Ellis Park</i> | <i>7/13-9/5/06</i> | <i>Full or Partial Cards</i> |
| <i>Fort Erie</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Hastings Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Hawthorne</i> | <i>9/23-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Hoosier Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Laurel Park</i> | <i>8/10-8/26/06</i> | <i>Full or Partial Cards</i> |
| <i>Lone Star</i> | <i>6/14-7/17/06</i> | <i>Full or Partial Cards</i> |
| <i>Louisiana Downs</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Meadowlands</i> | <i>9/30-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Monmouth Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Northlands Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>NYRA</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Penn National</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Philadelphia Park</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Pimlico</i> | <i>9/8-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Prairie Meadows</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Remington Park</i> | <i>8/5-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Suffolk Downs</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Thistledown</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Timonium</i> | <i>8/27-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Turfway Park</i> | <i>9/7-10/16/06</i> | <i>Full or Partial Cards</i> |
| <i>Woodbine</i> | <i>6/14-10/16/06</i> | <i>Full or Partial Cards</i> |

19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

| | |
|-----------------------------|--|
| Association Veterinarian(s) | Donald Dooley DVM |
| | Henry Cook DVM |
| Clerk of Scales | Fred Alexander |
| Clerk of the Course | Ann Daftary – Thoroughbreds |
| | Delores Collins – Emerging Breeds |
| Film Specialist | Jim Dreyer |
| Horse Identifier | Patrick Kealy |
| Horseshoe Inspector | Jack Hammonds |
| Paddock Judge | Tina Walker |
| Patrol Judges | Lisa Jones |
| | Jim Dreyer |
| Placing Judges | Ella Robinson |
| | Kenneth Sjoldal |
| Starter | Chuck Burkes |
| Timer | Melody Truitt |

B. Management officials in the racing department:

| | |
|----------------------------|-----------------------|
| Director of Racing | Jim Moore |
| Racing Secretary | Greg Brent |
| Assistant Racing Secretary | Linda Anderson |
| Track Announcer | Vic Stauffer |
| Stall Superintendent | Randy Malmgren |
| Paymaster of Purses | Vicki Layne |

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

**Coastal Reporting Services, 131-A Stony Circle, Suite 500, Santa Rosa, CA 95401,
(707) 573-9766**

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

Plusmic Corporation, USA – Bill O'Brien (Expires 12/7/07)

- E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Pegasus Communication, Inc. (Jim Porep) (Expires April 30, 2008)
Dirt Track: 7/8 Pole, 3/8 Pole, 1/4 Pole, Pan
Turf Track: All locations used for dirt track plus installed cameras at head of lane for head on of turf races
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Pegasus Communication, Inc. (Jim Porep) (Expires April 30, 2008)

10. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
Corey Oakley, Fair Manager 707-545-4200 Ext. 201
- Lt. Ed Hemphill, Santa Rosa Police Department in overall charge of sworn officers at the Fair, Police dispatched from 707-528-5222**
Each day a different LT. will be on grounds for supervision of patrolmen. A list of these supervisors and schedules will be made available to CHRB staff when supplied by SRPD. They are all dispatched from the same 707-582-5222 number.
- Private security supplied by V&G Security:**
Robert Gray, Owner on duty days 707-570-0737
Rodney Valrey, Owner on duty nights 707-570-0737
- Randy Malmgren, Stable Manager 707-544-4191**
Stable Gate 707-544-4191
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **20**
1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.
No graded stakes – Not applicable
 2. Detention Barns: **Not Applicable**
 - A. Attach a plan for use of graded stakes or overnight races.
 - B. Number of security guards in the detention barn area during a 24-hour period.

10. Security Controls

Security during the Race Meet is provided by Fair staff, privately contracted security and the Santa Rosa Police Department in addition to CHRB security staff.. Day-to-day security items in the barn area are handled the Stable Manager in concert with V&G Event Services, the privately contracted security firm. More serious incidents will be dealt with by Fair management and Santa Rosa Police Department

Sonoma County Fair Association Corey Oakley, Fair Manager
707-545-4206

Randy Malmgren, Stable Manager

707-544-4191

V&G Event Services

Robert Gray, Owner, On Site Days
707-570-0737

Rodney Valrey, Owner, On Site Nights
707-570-0737

Stable Gate, Open 24 Hours

707-545-4200

Santa Rosa Police Department
From 707-528-522

Lt Ed Hemphill

All SRPD Dispatched

Cell phone numbers of Sgts. in charge each day will be supplied to CHRB staff.

C. Describe number and location of surveillance cameras in detention barn area.

3. TCO2 Testing:

A. Number of races to be tested, and number of horses entered in each race to be tested.

All horses in all Thoroughbred races will be tested.

B. Plan for enhanced surveillance for trainers with high-test results.

Trainer with high test results will be moved to detention area.

C. Plan for detention barns for repeat offenders.

Horses from barns with unsatisfactory testes will be required to occupy a stall in a detention barn for the 24 hours prior to any race entered.

D. Number of security personnel assigned to the TCO2 program.

One (1) 24- hour security guard when Dentention Stalls are occupied.

C. Describe the electronic security system. **Electronic surveillance of money rooms, betting windows and detention barns**

1. Location and number of video surveillance cameras for the detention barn and stable gate. **Detention barns will have 24 hour camera surveillance with four cameras**

11. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

**Sonoma Life Support, 1415 No. Dutton, Suite C, Santa Rosa, CA 95401,
(707) 579-9542**

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

Bay Meadows

Bayshore Ambulance

P.O. Box 4622

Foster City, CA 94404

650-525-9700

Golden Gate Fields

Turf Rescue LLC

1961 Barclay Road

Castro Valley, CA 94546

510-581-8470

C. Attach a fire clearance from the fire authority having jurisdiction over the premises.

Fire Department will issue clearance prior to Fair. Fire inspectors typically inspect week or two proceeding Fair when facilities are set up for the Fair i.e. temporary barns are installed with required fire equipment, hoses and extinguishers are hung, remainder of Fair facilities are ready for inspection. During the Fair, inspectors are on site daily.

D. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers'



February 23, 2006

To: California Horse Racing Board (CHRB)
Attn: Pat Noble
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: Sonoma County Fair Association
1350 Bennett Valley Road
Santa Rosa, CA 95404

Please be advised that the Sonoma County Fair Association is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling program which is administered by CFSA:

I. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: \$149,500,000 in excess of \$500,000
(b) Employers' Liability: \$4,500,000 in excess of \$500,000
Coverage provided by California Public Entity Insurance Authority
Term: 07/01/2005 to 07/01/2006

CFSA represents to CHRB that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the Sonoma County Fair Association as set forth in CHRB's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

Charles A. Mitchell
Risk Manager

compensation. **Attached**

12. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

Food, Beverage and Alcohol

Five Star Catering - Don Delahoyde
585 No. State Street
Ukiah, CA 95482

Program Printing

Daily Racing Form
Jim Kostas, VP Circulation
100 Broadway
New York, NY 10005

Tip Sheets

Jacks Blue Card - Lisa Wasserman
127 Sun Avenue
Hayward, Ca 94544

Armored Car Services

NOTWINC
11875 Dublin Blvd.
Dublin, CA 94568

Portable Stalls

Silver Bar Leasing (Al Foote)
2445 S. Fruit
Fresno, CA 93706

Starting Gate

United/Puett Start. Gate Co.
Michael Costello
1 Soundview Loop
South Salem, NY 10590

13. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans: **Preponderance of advertising for the fair includes promotion of the race meet. Typically advertising budget is around \$200,000.**

- **New for 2006 – “Day at the Races” Promotion – Radio station tie-in asking local businesses why they need a “day at the races!” Winners receive a group package to enjoy a Friday afternoon at the races.**
- **New for 2006 – Friday Post time 2:15. Promotions focused on TGIFWC (Thank Goodness Its Friday - Wine Country Racing). This promotion will encourage first time fans to spend Friday afternoon happy hour at the Track.**
- **New for 2006 – Race Day giveaways. Special giveaway items will be featured on certain days.**
- **New for 2006 – Provided a Sponsor is secured a Mystery Mutual Voucher Promotion will be instituted in 2006.**
- **New for 2006 – Daily morning Pick the Winners contest with local radio station. 15 minute morning drive time segment will feature a fun handicapping contest and send a lucky listener to a day at the Races.**

- B. Number of hosts and hostesses employed for meeting:

New for 2006 – Upstairs Grandstand Upper level Guest Information Booth and wait service in Box seats. In addition: 25 ushers, 6 guest services attendants, and 5 self service attendants.

- C. Describe facilities set aside for new fans:

- **New for 2006 - New Upper Level Guest Information Booth, Designated New Fan Promotion includes seminar and reserved seating. Additionally Fair representatives will be visiting more than 25 service organizations to speak about Horse racing and the annual Fair.**
- **Back by popular demand is the FREE daily racing seminar each fair day (more than 20 years continuously running). The Seminar is hosted by Tack Announcer Vic Stauffer and features daily high profile guests. Prizes and tips are given out throughout the one hour Seminar.**
- **Returning promotions and information services include novice fan information booth, staffed featuring wagering information, terms, interactive items such as riding saddle, silks, etc.. A continuously running video on “how to play” from NTRA and DRF.**

- D. Describe any improvements to the physical facility in advance of the meeting that directly benefits: **New Turf Track in 2005**

1. **Horsemen: Improved RV lot, parking and lighted cross walks.**
2. **Fans: New Box Seat Chairs/ Wait service in Boxes**
3. **Facilities in the restricted areas: Painting and general clean-up of Jockey Quarters and offices.**

14. SCHEDULE OF CHARGES

- A. Proposed charges, note any changes from previous year:

| | |
|------------------------------|---|
| Admission (general) | Free with Fair admissions/Adults \$7; 7-12 \$2; 6 and under free |
| Admission (clubhouse) | N/A |
| Reserved seating (general) | \$3 |
| Reserved seating (clubhouse) | N/A |
| Parking (general) | \$5 |
| Parking (preferred) | \$55 - Season |
| Parking (valet) | N/A |
| Programs (on-track) | \$1 |
| (off-track) | \$2 |

- B. Describe any "Season Boxes" or other special accommodation fees:
Lower box seats \$150 season, Upper box seats \$110 season
- C. Describe any "package" plans such as combined parking, admission and program:
Several group sales packages including \$7 admission & upper reserved seat for groups of 10 or more.

15. JOCKEYS' QUARTERS

- A. Check the applicable amenities available in the jockeys' quarters:
- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Corners (lockers and cubicles) | How many | <input type="text" value="16"/> |
| <input checked="" type="checkbox"/> Showers | <input checked="" type="checkbox"/> Steam room, sauna or steam cabinets | <input checked="" type="checkbox"/> Lounge area |
| <input checked="" type="checkbox"/> Masseur | <input checked="" type="checkbox"/> Food/beverage service | <input checked="" type="checkbox"/> Certified platform scale |
- B. Describe the quarters to be used for female jockeys:
Separate area containing a dressing room, lounge area, sauna, showers, restroom facilities, lockers, & bunks. Jockeys & Jockettes share the scale.

16. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by: **CHRB Investigator Bob Gai 5/11/06**
- B. Number of rooms used for housing on the backstretch of the racetrack: **100 rooms available to horsemen**
- C. Number of restrooms available on the backstretch of the racetrack: **Total of 14 urinals, 20 toilets, 20 sinks 27 shower heads**

17. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet. **Turf Track 7/8 mile**
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Dirt track – Inner rail is aluminum wrap gooseneck posts covered by rubber and thermoplastic; Outer rail is steel posts and steel rail. Approximate height is 40 inches. Turf Track – Inner rail is aluminum wrap, moveable rail on gooseneck posts. Outer rail is aluminum rail on gooseneck posts permanently mounted.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety

standards pursuant to CHRB Rule 1474: **Jim Moore**

- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **Attached.**
- E. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

18. DECLARATIONS

- A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
No exceptions
- B. Attach each Horsemen's Agreement pursuant to CHRB Rule 2044. **On file with CHRB**
- C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions**
- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state): **No exceptions**

NOTICE TO APPLICANT Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

19. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

COREY J. OAKLEY
Print Name

MANAGER / CEO
Print Title

[Signature]
Signature

4/20/06
Date

STAFF ANALYSIS

May 25, 2006

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE DEL MAR THOROUGHBRED CLUB AT DEL MAR JULY 19, 2006 THROUGH SEPTEMBER 6, 2006.

Del Mar Thoroughbred Club filed its application to conduct a thoroughbred horse racing meeting at Del Mar:

- July 19 through September 6, 2006, or 43 days, the same as 2005. The association proposes to race a total of 371 races, or 8.63 races per day. In 2005 they raced 8.65 races per day with an average of 8.4 runners per race.
- The race dates proposed are the approved dates allocated to the fair.

| July - 2006 | | | | | | |
|-------------|-------|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | | | 1 |
| 2 | 3 | 4 H | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23/30 | 24/31 | 25 | 26 | 27 | 28 | 29 |

| August - 2006 | | | | | | |
|---------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

| September - 2006 | | | | | | |
|------------------|-----|-----|-----|-----|-----|-----|
| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
| | | | | | 1 | 2 |
| 3 | 4 H | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |

- Racing 6 days per week, Wednesday through Monday, with 8 races per day weekdays, 9 races opening day and certain weekend days and 10 races certain weekend days, Labor Day and closing day.
- Racing concurrently with Solano fair July 19-24.
- Racing concurrently with the dates allocated to the Santa Rosa, San Mateo and Humboldt fair and Pacific Racing Association.
- First post will be 2:00 p.m. daily.
 - 1:00 p.m. Sunday, August 20.
 - 3:30 p.m. Friday, August 18, 25 and September 1.
 - 4:00 p.m. Friday, July 21, 28 and August 4 and 11.
- Specific changes from the 2005 license application:
 - Increases: admission - stretch run from \$5 to \$6, clubhouse from \$8 to \$10.
parking - general from \$5 to \$6.
membership - season turf club (1 person) from \$725 to \$800.
seating - season reserved from \$220 to \$240, stretch run and clubhouse season box seats from \$235-\$260 to \$255-\$280.
 - Number of rooms used for housing on the backstretch increased from 654 to 666 and the number of restrooms on the backstretch increased from 81 to 83.
 - New: admission - stretch run \$3 Diamond Club and clubhouse \$5 Diamond Club.

- Request Dianne Piper be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering will start at 8:00 a.m.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

Specific information **still needed** to complete this application includes:

1. Thoroughbred horsemen's agreement – in negotiations.

RECOMMENDATION:

Staff recommends the Board approve the application conditioned upon receiving the additional information necessary to conduct the racing meeting.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. Name, mailing address, telephone and fax numbers of association:

Del Mar Thoroughbred Club
PO Box 700, Del Mar, CA 92014
Phone: 858-755-1141
Fax: 858-794-1007

- B. Breed of horse: ☒ TB ☐ QH ☐ H

- C. Racetrack name: **Del Mar Thoroughbred Club**

- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **Attached.**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

- A. Inclusive dates for the entire meeting: **July 19 through September 06, 2006**

- B. Actual dates racing will be held: **July 19 through September 06, 2006, everyday except Tuesdays 7/25, 8/1, 8/8, 8/15, 8/22, 8/29, 9/5**

- C. Total number of days or nights of racing: **43 days**

- D. Days or nights of the week races will be held:

☐ Wed - Sun ☐ Tues - Sat ☒ Other (specify) **Wednesday - Monday**

- E. Number of days or nights of racing per week: **6**

3. RACING PROGRAM

- A. Total number of races: **371**

- B. Number of races for each day or night:

8 - Weekdays

9 - Opening Day and certain weekend days

10 - Certain weekend days, Labor Day and Closing Day

CHRB CERTIFICATION

Application received: *4/17/06*
Deposit received:
Reviewed: *PNJ*

Hearing date: *5/25/06*
Approved date:
License number:

- C. Total number of stakes races: **30**
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **Exhibit 1**
- E. Will provisions be made for owners and trainers to use their own registered colors?
☒ Yes ☐ No If no, what racing colors are to be used:
- F. List all post times for the daily racing program: **Exhibit 2**

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: ☒ Corporation (complete subsection C)
☐ LLC (complete subsection D)
☐ Other (specify, and complete subsection E)
- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. **Full Disclosure Statement already on file with CHRB**

C. CORPORATION

1. Registered name of the corporation: **Del Mar Thoroughbred Club**
2. State where incorporated: **California**
3. Registry or file number for the corporation: **559096**
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:

| | | |
|--------------------------|--|----------------|
| Robert S. Strauss | Chairman of the Board | 1 Share |
| Joseph W. Harper | President, General Manager, Director | 1 " |
| Rollin W. Baugh | Director | 1 " |
| James R. Buell | Director | 1 " |
| Terrence Lanni | Director | 1 " |
| Warner Lusardi | Director | 1 " |
| Betty Mabee | Director | 1 " |
| Thomas C. Stickel | Director | 1 " |
| Martin J. Wygod | Director | 1 " |
| Craig R. Fravel | Executive VP & Corporate Secretary | 0 |
| Michael R. Ernst | Senior VP & Chief Financial Officer | 0 |
| Thomas S. Robbins | Vice President, Racing | 0 |
| Craig A. Dado | Vice President, Marketing | 0 |
| Lynn Wright | Controller | 0 |

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
Clair W. Burgener, 1 share

Exhibit 1 - 2006 Del Mar Stakes Schedule

| Closing Date | Running Date | Event | Distance | 2005 Value | 2006 Value |
|-------------------|-------------------|--|---------------------|------------------------------|------------------------|
| Thu. Jul 13, 2006 | Wed. Jul 19, 2006 | OCEANSIDE STAKES Three-year-olds, N/W S/S of \$50,000 in 2006 | One Mile (Turf) | \$100,000 | \$100,000 |
| Thu. Jul 13, 2006 | Fri. Jul 21, 2006 | CTBA STAKES Fillies, two years old, bred in CA | 5 1/2 Furlongs | \$125,000 Guaranteed | \$125,000 |
| Thu. Jul 13, 2006 | Sat. Jul 22, 2006 | JOHN C. MABEE HANDICAP (Gr. I) Fillies and mares, three years old and upward | 1 1/8 Miles (Turf) | \$400,000 Guaranteed | \$400,000 Guaranteed |
| Thu. Jul 13, 2006 | Sat. Jul 22, 2006 | SAN DIEGO HANDICAP (Gr. II) Three-year-olds and upward | 1 1/16 Miles | \$250,000 Guaranteed | \$300,000 Guaranteed |
| Thu. Jul 13, 2006 | Sun. Jul 23, 2006 | FLEET TREAT STAKES Fillies, three years old, bred in CA | Seven Furlongs | \$100,000 Guaranteed | \$100,000 |
| Thu. Jul 13, 2006 | Sun. Jul 23, 2006 | EDDIE READ HANDICAP (Gr. I) Three-year-olds and upward | 1 1/8 Miles (Turf) | \$400,000 Guaranteed | \$400,000 Guaranteed |
| Thu. Jul 20, 2006 | Wed. Jul 26, 2006 | GRADUATION STAKES Two-year-olds, bred in CA | 5 1/2 Furlongs | \$125,000 Guaranteed | \$125,000 |
| Thu. Jul 20, 2006 | Sat. Jul 29, 2006 | SAN CLEMENTE HANDICAP (Gr. II) Fillies, three years old | One Mile (Turf) | \$150,000 Guaranteed | \$150,000 Guaranteed |
| Thu. Jul 20, 2006 | Sun. Jul 30, 2006 | BING CROSBY HANDICAP (Gr. I) Three-year-olds and upward | Six Furlongs | \$300,000 Guaranteed | \$300,000 Guaranteed |
| Thu. Jul 27, 2006 | Fri. Aug 04, 2006 | CALIFORNIA DREAMIN' HANDICAP Three-Year-Olds and Upward, Bred in CA | 1 1/16 Miles (Turf) | N/A | \$125,000 |
| Thu. Jul 27, 2006 | Sat. Aug 05, 2006 | SORRENTO STAKES (Gr. III) Fillies, two years old | 6 1/2 Furlongs | \$150,000 Guaranteed | \$150,000 Guaranteed |
| Thu. Jul 27, 2006 | Sun. Aug 06, 2006 | CLEMENT L. HIRSCH HANDICAP (Gr. II) Fillies and mares, three years old and upward | 1 1/16 Miles | \$300,000 Guaranteed | \$300,000 Guaranteed |
| Thu. Aug 03, 2006 | Fri. Aug 11, 2006 | REAL GOOD DEAL STAKES Three-year-olds, bred in CA | Seven Furlongs | \$100,000 Guaranteed | \$100,000 |
| Thu. Aug 03, 2006 | Sat. Aug 12, 2006 | LA JOLLA HANDICAP (Gr. II) Three-year-olds | 1 1/16 Miles (Turf) | \$150,000 Guaranteed | \$150,000 Guaranteed |
| Thu. Aug 03, 2006 | Sun. Aug 13, 2006 | BEST PAL STAKES (Gr. II) Two-year-olds | 6 1/2 Furlongs | \$150,000 Guaranteed | \$150,000 Guaranteed |
| Thu. Aug 10, 2006 | Fri. Aug 18, 2006 | RANCHO BERNARDO HANDICAP (Gr. III) Fillies and mares, three years old and upward | 6 1/2 Furlongs | \$150,000 Guaranteed | \$200,000 Guaranteed |
| Thu. Aug 10, 2006 | Sat. Aug 19, 2006 | DEL MAR OAKS (Gr. I) Fillies, three years old | 1 1/8 Miles (Turf) | \$300,000 Guaranteed | \$400,000 Guaranteed |
| Thu. Aug 10, 2006 | Sun. Aug 20, 2006 | PACIFIC CLASSIC (Gr. I) Three-year-olds and upward | 1 1/4 Miles | \$1,000,000 Guaranteed | \$1,000,000 Guaranteed |
| Thu. Aug 10, 2006 | Sun. Aug 20, 2006 | PAT O'BRIEN BC HANDICAP (Gr. II) Three-year-olds and upward | Seven Furlongs | \$300,000 Guaranteed | \$300,000 Guaranteed |
| Thu. Aug 17, 2006 | Sat. Aug 26, 2006 | DEL MAR BC MILE (Gr. II) Three-year-olds and upward | One Mile (Turf) | \$350,000 Guaranteed | \$400,000 Guaranteed |
| Thu. Aug 17, 2006 | Sun. Aug 27, 2006 | DEL MAR HANDICAP (Gr. II) Three-year-olds and upward | 1 3/8 Miles (Turf) | \$250,000 Guaranteed | \$250,000 Guaranteed |
| Thu. Aug 24, 2006 | Wed. Aug 30, 2006 | GENEROUS PORTION STAKES Fillies, two years old, bred in CA | Six Furlongs | \$100,000 Guaranteed | \$100,000 |
| Thu. Aug 24, 2006 | Fri. Sep 01, 2006 | TORREY PINES STAKES Fillies, three years old | One Mile | \$100,000 Guaranteed | \$100,000 |
| Thu. Aug 24, 2006 | Sat. Sep 02, 2006 | EL CAJON STAKES Three-year-olds | One Mile | \$100,000 Guaranteed | \$100,000 |
| Thu. Aug 24, 2006 | Sat. Sep 02, 2006 | PALOMAR BC HANDICAP (Gr. II) Fillies and mares, three years old and upward | 1 1/16 Miles (Turf) | \$200,000 Guaranteed | \$200,000 Guaranteed |
| Thu. Aug 24, 2006 | Sun. Sep 03, 2006 | SOLANA BEACH HANDICAP Fillies and mares, three years old and upward, bred in CA | One Mile (Turf) | \$125,000 Guaranteed | \$125,000 |
| Thu. Aug 24, 2006 | Sun. Sep 03, 2006 | DEL MAR DERBY (Gr. II) Three-year-olds | 1 1/8 Miles (Turf) | \$400,000 Guaranteed | \$400,000 Guaranteed |
| Fri. Jun 02, 2006 | Mon. Sep 04, 2006 | DEL MAR DEBUTANTE (Gr. I) Fillies, two years old | Seven Furlongs | \$250,000 Guaranteed | \$250,000 Guaranteed |
| Thu. Aug 24, 2006 | Mon. Sep 04, 2006 | I'M SMOKIN STAKES Two-year-olds, bred in CA | Six Furlongs | \$100,000 Guaranteed | \$100,000 |
| Fri. Jun 02, 2006 | Wed. Sep 06, 2006 | DEL MAR FUTURITY (Gr. II) Two-year-olds | Seven Furlongs | \$250,000 Guaranteed | \$250,000 Guaranteed |
| | | | | (Gross/exc. BC/CBRF funding) | \$6,810,000 |
| | | | | (Estimated Fees) | \$610,000 |
| | | | | (Estimated Net) | <u>\$6,200,000</u> |

EXHIBIT 2 – POST TIMES

| Race | Regular | Fridays 7/21, 7/28, 8/4, & 8/11 | Fridays 8/18, 8/25 & 9/1 | Sunday, 8/20 |
|--------------------|----------------|--|---|---------------------|
| 1 st | 2:00 p.m. | 4:00 p.m. | 3:30 p.m. | 1:00 p.m. |
| 2 nd | 2:32 p.m. | 4:30 p.m. | 4:00 p.m. | 1:30 p.m. |
| 3 rd | 3:03 p.m. | 5:00 p.m. | 4:30 p.m. | 2:00 p.m. |
| 4 th | 3:34 p.m. | 5:30 p.m. | 5:00 p.m. | 2:40 p.m. |
| 5 th | 4:05 p.m. | 6:00 p.m. | 5:30 p.m. | 3:05 p.m. |
| 6 th | 4:35 p.m. | 6:30 p.m. | 6:00 p.m. | 3:35 p.m. |
| 7 th | 5:05 p.m. | 7:00 p.m. | 6:30 p.m. | 4:05 p.m. |
| 8 th | 5:35 p.m. | 7:30 p.m. | 7:00 p.m. | 4:40 p.m. |
| 9 th * | 6:05 p.m. | | | 5:10 p.m. |
| 10 th * | 6:35 p.m. | | | 5:40 p.m. |

POST TIMES FOR PROPOSED DAILY RACING PROGRAM:

* On certain days to be determined.

6. Number of outstanding shares in the corporation: **10**
7. Are the shares listed for public trading? ☐ Yes ☒ No
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **Craig R. Fravel, Secretary**
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity: **None**
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **On file.**

- D. LLC – N/A
E. OTHER – N/A

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

| | |
|--------------------------|--|
| Joseph W. Harper | President & General Manager |
| Craig R. Fravel | Executive VP & Corporate Secretary |
| Michael R. Ernst | Senior VP & Chief Financial Officer |
| Thomas S. Robbins | Vice President, Racing and Racing Secretary |
| Craig A. Dado | Vice President, Marketing |
| Timothy A. Read | Director of Operations |
| Daniel G. Smith | Director of Media |
| Lynn Wright | Controller |
| Jacquelyn King | Director of Group Sales |
| Josh Rubinstein | Director of Marketing |
| Martha Gilson | Customer Service Manager |
| Kathleen McDonald | Director of Purchasing and Merchandising |
| Paul Porter | Simulcast Director |
| Chris Bahr | Promotions Manager |
| William Navarro | Director of Parimutuels |
| Nancy Bonforte | Director, Private Turf Club |
| Robert Sanchez | Plant Superintendent |
| Bill Sullivan | Director of Security |
| Trevor Denman | Public Address Announcer |
| Steve Wood | Track Superintendent |
| Leif Dickinson | Turf Course Superintendent |

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

Joseph W. Harper – President & General Manager
Craig R. Fravel – Executive VP & Corporate Secretary

PAGE 4-8

5. PURSE PROGRAM**A. Purse distribution:**

1. All races other than stakes:
 Current meet estimate: **\$15,005,978**
 Prior meet actual: **15,327,079**
2. Overnight stakes:
 Current meet estimate: **\$1,020,000**
 Prior meet actual: **990,000**
3. Non-overnight stakes:
 Current meet estimate: **\$6,200,000**
 Prior meet actual: **5,779,175**

B. Stakes races:

1. Purse distribution for all stakes races:
 Current meet estimate: **\$7,220,000**
 Prior meet actual: **6,769,175**
2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:
 Current meet estimate: **11.0%**
 Prior meet actual: **10.2%**

C. Funds to be generated for all California-bred incentive awards:

Current meet estimate: **\$2,128,000**
 Prior meet actual: **2,125,265**

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):**Recognized Horsemen's Organization**

| | | | |
|--------------------------------|------------------|--------------------|------------------|
| Current meet estimate: | | Prior meet actual: | |
| TOC Administration | 227,436 | | 227,028 |
| CTT Administration | 113,718 | | 113,514 |
| CTT Backstretch Pension | 227,436 | | 227,028 |
| NTRA Dues | 122,468 | | 246,229 |
| Total | \$691,058 | Total | \$813,799 |

E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A + 5C + 5D):

Current meet estimate: **\$25,045,036**
 Prior meet actual: **25,035,318**

- F. Purse funds to be generated from on-track handle and intrastate off-track handle:
 Current meet estimate: **\$18,265,804**
 Prior meet actual: **18,342,162**
- G. Purse funds to be generated from interstate handle:
 Current meet estimate: **\$4,651,231**
 Prior meet actual: **4,567,891**
- H. Bank and account number for the Paymaster of Purses' purse account:
Union Bank of California, San Diego Regional Office, Account #4000145780
- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Bowen, McBeth, Inc., 10722 Arrow Route, Suite 110, Rancho Cucamonga, CA 91730 (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **2,100**
- B. Minimum number of stalls believed necessary for the meeting: **2,100**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **2,500**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **Fairplex – 500 Santa Anita – 1,500 San Luis Rey Downs – 500**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.
SCOTWINC agreement is on file with CHRB

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the 1986 meeting: **2,100**
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall:
\$1,065,144 **\$8.19 per day per stall**
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
Estimated vanning cost: \$179,050
Vanning per horse (one way):
Santa Anita **\$145**
Hollywood Park **\$145**
Pomona **\$145**
San Luis Rey Downs **\$80**
Los Alamitos **\$145**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

| | Type of Wager(s): | Applicable Rule(s): |
|---------------|---|---|
| Example Race: | \$5E, \$2DD | CHRB#1959; ARCI#V.E. |
| Race #1 | \$2Q, \$1E, \$1PK3, \$2DD ² , \$1 PPN, \$2PARLAY, \$1TRI, .10¢SF | CHRB#1958, 1959, 1977, 1957, 1976.8, 1954.1, 1979, 1979.1 |
| Race #2 | \$2Q, \$1E, \$1PK3, \$2PARLAY, \$1TRI, .10¢SF, \$2DD ² | CHRB#1958, 1959, 1977, 1954.1, 1979, 1979.1, 1957 |
| Race #3 | \$2Q, \$1E, \$1PK3, \$2PARLAY, \$1TRI, .10¢SF, \$2P(n)P (Pick 6), \$2DD ² | CHRB#1958, 1959, 1977, 1954.1, 1979, 1979.1, 1976.9, 1957 |
| Race #4 | \$2Q, \$1E, \$1PK3, \$2PARLAY, \$1TRI, .10¢SF, \$2DD ² | CHRB#1958, 1959, 1977, 1954.1, 1979, 1979.1, 1957 |
| Race #5 | \$2Q, \$1E, \$1PK3, \$2PARLAY, \$1TRI, .10¢SF, \$2DD ² , \$1PK4 ¹ | CHRB#1958, 1959, 1977, 1954.1, 1979, 1979.1, 1957, 1978 |
| Race #6 | \$2Q, \$1E, \$1PK3, .10¢SF, \$2PARLAY, \$1TRI, \$2DD ² , \$1PK4 ¹ | CHRB#1958, 1959, 1977, 1979.1, 1954.1, 1979, 1957, 1978 |
| Race #7 | \$2Q, \$1E, \$2PARLAY, \$1TRI, .10¢SF, \$2DD ² , \$1PK4 ¹ | CHRB#1958, 1959, 1954.1, 1979, 1979.1, 1957, 1978 |
| Race #8 | \$2Q, \$1E, \$1TRI, .10¢SF, \$2DD ² , \$1PK4 ¹ | CHRB#1958, 1959, 1979, 1979.1, 1957, 1978 |

| | | |
|-----------|--|---|
| Race #9* | \$2Q, \$1E, \$1TRI, .10¢SF, \$2DD ² , \$1PK4 ¹ | CHRB#1958, 1959, 1979, 1979.1, 1957, 1978 |
| Race #10* | \$2Q, \$1E, \$1TRI, .10¢SF, \$1PK4 ¹ | CHRB#1958, 1959, 1979, 1979.1, 1978 |

¹ \$1PK4 offered in the last four races daily² \$2DD offered every race daily, except the last race.

* Days with 9 or 10 races, the types of wagers offered based on this schedule will be rolled forward or backward accordingly.

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **None**
- C. List any options requested with regard to exotic wagering: **None**
- D. Will "advance" or "early bird" wagering be offered? ☒ Yes ☐ No
If yes, when will such wagering begin: **8:00 a.m.**
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
Autotrak II VAX, Scientific Games Racing/Autotote, Terry McWilliams, Expires: 9/2007

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Southern California Off Track Wagering, Inc. "SCOTWINC"
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
SCOTWINC Agreement is on file with CHRB
- C. California simulcast facilities the association proposes to offer its live audiovisual signal: **Exhibit 4**
- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal: **Exhibit 5**
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
Exhibit 6
- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **Exhibit 7**

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Exhibit 4

Alameda County Fair, Pleasanton
Antelope Valley Fair, Lancaster
Barona Casino, Lakeside
Bay Meadows, San Mateo
Big Fresno Fair, Fresno
Cabazon Fantasy Springs Casino, Indio
California State Fair & Expo, Sacramento
Earl Warren Showgrounds, Santa Barbara
Fairplex Park, Pomona
Fresno Club One, Fresno
Golden Gate Fields, Albany
Hollywood Park, Inglewood
Humbolt County Fair, Ferndale
Kern County Fair, Bakersfield
Los Alamitos Racecourse, Los Alamitos
Monterey County Fair, Monterey
National Orange Show, San Bernardino
Redwood Acres Fair, Eureka
San Bernardino County Fair, Victorville
San Joaquin County Fair, Stockton
Santa Clara County Fair, San Jose
Santa Anita Park, Arcadia
Santa Maria Fair Park, Santa Maria
Shalimar Sports Center, Indio
Shasta District Fair, Anderson
Solano County Fair, Vallejo
Sonoma County Fair, Santa Rosa
Stanislaus County Fair, Turlock
Sycuan Gaming Center, El Cajon
The Farmers Fair, Perris
Tulare County Fair, Tulare
Ventura County Fair, Ventura
Viejas Casino & Turf Club, Alpine

Exhibit 5

| | |
|---|--|
| AmericaTab, Ohio | Fonner Park, Nebraska |
| Amwest Entertainment, Kentucky | Fort Erie Racetrack, Canada |
| Arapahoe Park, Colorado | Foxboro Park, Massachusetts |
| Arlington International Race Course, Illinois | Foxwoods Casino (LVDC), Connecticut |
| Assiniboia Downs, Canada | Fraser Park, British Columbia |
| Atlantic City Casino Assn., New Jersey | Freehold Raceway, New Jersey |
| Atlantic City Race Course, New Jersey | Gulf Greyhound, Texas |
| Atokad Park, South Dakota | Gulfstream Park, Florida |
| Balmoral Park, Illinois | Harrington Raceway & Simulcast, Delaware |
| Bangor Raceway, Maine | Hastings Park, Canada |
| Barrie Raceway, Ontario | Hawthorne Race Course, Illinois |
| Batavia Downs, New York | Hazel Park, Michigan |
| Beulah Park, Ohio | Hiawatha Downs, Ontario |
| Birmingham Race Course, Alabama | Hinsdale Greyhound Park, New Hampshire |
| Blue Ribbon Downs, Oklahoma | Hipodromo de las Americas, Mexico |
| Buffalo Trotting Association, New York | Hipodromo Presidente Remon, Panama |
| Calder Race Course, Florida | Holiday Beach Hotel, Curacao |
| Caliente, Mexico | Hoosier Park, Indiana |
| Canterbury Park, Minnesota | Horsemen's Park, Nebraska |
| Capital District OTB, New York | Indiana Downs, Indiana |
| Capital Sports, Australia | International All Sports, Europe |
| Catskill Regional OTB, New York | Jackson Harness Raceway, Michigan |
| Caymanas Race Track, Jamaica | Kawartha Downs, Ontario |
| Charles Town Races, West Virginia | Keeneland, Kentucky |
| Churchill Downs, Kentucky | Kentucky Downs, Kentucky |
| Choctaw Racing Services, Oklahoma | Kentucky OTB, Kentucky |
| Colonial Downs, Virginia | L' Hippodrome de Montreal, Canada |
| Columbus Races, Nebraska | Las Vegas Dissemination Company, Nevada |
| Connecticut OTB, Connecticut | Lebanon Trotting Club, Ohio |
| Corpus Christi Greyhound, Texas | Les Bois Park, Idaho |
| Dairyland Greyhound Park, Wisconsin | Lewiston Raceway, Maine |
| Delaware Park, Delaware | Lien Games, North Dakota |
| Delta Downs, Louisiana | Lincoln Greyhound Park, Rhode Island |
| Dover Downs, Delaware | Lone Star Race Park, Texas |
| Downs at Albuquerque, New Mexico | Louisiana Downs, Louisiana |
| Downs at Santa Fe, (PTE Inc.), New Mexico | Manor Downs, Texas |
| Edmonton Northlands, Canada | Marquis Downs, Saskatchewan |
| Ellis Park, Kentucky | Maryland Jockey Club, Maryland |
| Elmira Raceway, Ontario | Maywood Park, Illinois |
| Euro Off Track, Europe | Meskwaki Casino (LVDC), Nevada |
| Evangeline Downs, Louisiana | Mile High Greyhound, CO |
| Fairgrounds Racecourse, Louisiana | Mobile Greyhound Park, Alabama |
| Fairmount Park, Illinois | Monmouth Park, New Jersey |
| Finger Lakes Race Track, New York | Montana State Fair, Montana |
| Flamboro Downs, Ontario | Monticello Raceway, NY |

| | |
|--|---|
| Mountaineer Park, West Virginia | Sportsman's Park, Illinois |
| Mt. Pleasant Meadows, Michigan | St. Croix Greyhound Park, Wisconsin |
| Multnomah Greyhound Park, Oregon | Stampede Park, Alberta |
| Muskegon Race Course, Michigan | Stevenson & Associates, Maryland |
| Nassau Regional OTB, New York | Suffolk Downs, Massachusetts |
| Nebraska State Fair Park, Nebraska | Sunland Park Racetrack, New Mexico |
| Nevada Pari-Mutuel Association, Nevada | Sun Ray Park, New Mexico |
| New Jersey Sports & Exposition Authority, New Jersey | Tampa Bay Downs, Florida |
| New Mexico State Fair, New Mexico | Texas Hub, Texas |
| New York City Off-Track Betting, New York | The Meadows, Pennsylvania |
| New York Racing Association, New York | The Racing Channel, Pennsylvania |
| Newport Jai-Alai, Rhode Island | The Racing Channel International, Europe |
| Northfield Park, Ohio | Thistledown Racing Club, Ohio |
| Northville Downs, Michigan | Thunder Ridge, Kentucky |
| Northwest Racing Associates Limited Partnership, Washington | Tonkawa Hotel & Casino, Oklahoma |
| Oaklawn Park, Arkansas | Tri-State Greyhound, West Virginia |
| Ocean Downs, Maryland | Trinity Meadows, Texas |
| Pacific Racing Association, Canada | TVG, Los Angeles |
| Penn National Race Course, Pennsylvania | TVN, Australia |
| Philadelphia Park, Pennsylvania | Turf Paradise, Arizona |
| Pimlico Race Course, Maryland | Turfway Park, Kentucky |
| Plainfield Greyhound Park, Connecticut | US Off-Track, Oregon |
| Pocono Downs, Pennsylvania | Valley Greyhound Park, Texas |
| Portland Meadows, Oregon | Vernon Downs, New York |
| Prairie Meadows, Iowa | Western Fair, Ontario |
| Queensbury Downs, Saskatchewan | Western Regional OTB, New York |
| Raceway Park, Ohio | Wheeling Downs, Canada |
| Racing and Gaming Services, St Kitts | Windsor Raceway, Ontario |
| Remington Park, Oklahoma | Wichita Greyhound Park, Kansas |
| Retama Park, Texas | Woodbine Entertainment Corp, Ontario |
| River Downs, Ohio | Wonderland Greyhound Park, Massachusetts |
| Roberts Television International, NV | Woodlands, Kansas |
| Rockingham Park, New Hampshire | Wyoming OTB, Wyoming |
| Ruidoso Downs, New Mexico | XpressBet, Pennsylvania |
| Saginaw Harness Raceway, MI | Yavapai Downs, Arizona |
| Sam Houston Park, Texas | Yonkers Raceway, New York |
| Saratoga Raceway, New York | YouBet, Los Angeles |
| Scarborough Downs, Maine | Zia Park, New Mexico |
| Scioto Downs, Ohio | |
| Seabrook Greyhound Park, NH | |
| Southland Greyhound Park, Arkansas | |
| Sports Creek Raceway, Michigan | |

EXHIBIT 6

| | |
|---|---|
| AmericaTab, Ohio | Harrington Raceway & Simulcast, Delaware |
| Amwest Entertainment, Kentucky | Hawthorne Race Course, Illinois |
| Arapahoe Park, Colorado | Hazel Park, Michigan |
| Arlington International Race Course, Illinois | Hinsdale Greyhound Park, New Hampshire |
| Atlantic City Casino Assn., New Jersey | Holiday Beach Hotel, Curacao |
| Atlantic City Race Course, New Jersey | Hoosier Park, Indiana |
| Atokad Park, Nebraska | Horsemen's Park, Nebraska |
| Balmoral Park, Illinois | Indiana Downs, Indiana |
| Bangor Raceway, Maine | International All Sports, Europe |
| Batavia Downs, New York | Jackson Harness Raceway, Michigan |
| Beulah Park, Ohio | Keeneland, Kentucky |
| Birmingham Race Course, Alabama | Kentucky Downs, Kentucky |
| Blue Ribbon Downs, Oklahoma | Kentucky OTB, Kentucky |
| Buffalo Trotting Association, New York | Las Vegas Dissemination Company, Nevada |
| Calder Race Course, Florida | Lebanon Trotting Club, Ohio |
| Canterbury Park, Minnesota | Les Bois Park, Idaho |
| Capital District OTB, New York | Lewiston Raceway, Maine |
| Capital Sports, Australia | Lien Games, North Dakota |
| Catskill Regional OTB, New York | Lincoln Greyhound Park, Rhode Island |
| Charles Town Races, West Virginia | Lone Star Race Park, Texas |
| Churchill Downs, Kentucky | Louisiana Downs, Louisiana |
| Choctaw Racing Services, Oklahoma | Manor Downs, Texas |
| Colonial Downs, Virginia | Maryland Jockey Club, Maryland |
| Columbus Races, Nebraska | Maywood Park, Illinois |
| Connecticut OTB, Connecticut | Meskwaki Casino (LVDC), Nevada |
| Corpus Christi Greyhound, Texas | Mile High Greyhound, CO |
| Dairyland Greyhound Park, Wisconsin | Mobile Greyhound Park, Alabama |
| Delaware Park, Delaware | Monmouth Park, New Jersey |
| Delta Downs, Louisiana | Montana State Fair, Montana |
| Dover Downs, Delaware | Monticello Raceway, NY |
| Downs at Albuquerque, New Mexico | Mountaineer Park, West Virginia |
| Downs at Santa Fe, (PTE Inc.), New Mexico | Mt. Pleasant Meadows, Michigan |
| Ellis Park, Kentucky | Multnomah Greyhound Park, Oregon |
| Euro Off Track, Europe | Nassau Regional OTB, New York |
| Evangeline Downs, Louisiana | Nebraska State Fair Park, Nebraska |
| Fairgrounds Racecourse, Louisiana | Nevada Pari-Mutuel Association, Nevada |
| Fairmount Park, Illinois | New Jersey Sports & Exposition Authority, New Jersey |
| Finger Lakes Race Track, New York | New Mexico State Fair, New Mexico |
| Fonner Park, Nebraska | New York City Off-Track Betting, New York |
| Foxboro Park, Massachusetts | New York Racing Association, New York |
| Foxwoods Casino (LVDC), Connecticut | Newport Jai-Alai, Rhode Island |
| Fraser Park, British Columbia | Northfield Park, Ohio |
| Freehold Raceway, New Jersey | Northville Downs, Michigan |
| Gulf Greyhound, Texas | |
| Gulfstream Park, Florida | |

EXHIBIT 6

| | |
|--|---|
| Northwest Racing Associates Limited Partnership, Washington | Turfway Park, Kentucky |
| Oaklawn Park, Arkansas | US Off-Track, Oregon |
| Ocean Downs, Maryland | Valley Greyhound Park, Texas |
| Penn National Race Course, Pennsylvania | Vernon Downs, New York |
| Philadelphia Park, Pennsylvania | Western Regional OTB, New York |
| Pimlico Race Course, Maryland | Wichita Greyhound Park, Kansas |
| Plainfield Greyhound Park, Connecticut | Wonderland Greyhound Park, Massachusetts |
| Pocono Downs, Pennsylvania | Woodlands, Kansas |
| Portland Meadows, Oregon | Wyoming OTB, Wyoming |
| Prairie Meadows, Iowa | XpressBet, Pennsylvania |
| Raceway Park, Ohio | Yavapai Downs, Arizona |
| Racing and Gaming Services, St Kitts | Yonkers Raceway, New York |
| Remington Park, Oklahoma | YouBet, Los Angeles |
| Retama Park, Texas | Zia Park, New Mexico |
| River Downs, Ohio | |
| Roberts Television International, NV | |
| Rockingham Park, New Hampshire | |
| Ruidoso Downs, New Mexico | |
| Saginaw Harness Raceway, MI | |
| Sam Houston Park, Texas | |
| Saratoga Raceway, New York | |
| Scarborough Downs, Maine | |
| Scioto Downs, Ohio | |
| Seabrook Greyhound Park, NH | |
| Southland Greyhound Park, Arkansas | |
| Sports Creek Raceway, Michigan | |
| Sportsman's Park, Illinois | |
| St. Croix Greyhound Park, Wisconsin | |
| Stevenson & Associates, Maryland | |
| Suffolk Downs, Massachusetts | |
| Sunland Park Racetrack, New Mexico | |
| Sun Ray Park, New Mexico | |
| Tampa Bay Downs, Florida | |
| Texas Hub, Texas | |
| The Meadows, Pennsylvania | |
| The Racing Channel, Pennsylvania | |
| The Racing Channel International, Europe | |
| Thistledown Racing Club, Ohio | |
| Thunder Ridge, Kentucky | |
| Tonkawa Hotel & Casino, Oklahoma | |
| Tri-State Greyhound, West Virginia | |
| Trinity Meadows, Texas | |
| TVG, Los Angeles | |
| Turf Paradise, Arizona | |

EXHIBIT 7

| Date | Host Track | Selected Feature and/or Stakes | GR | Purse | Distance |
|---------|---------------|---------------------------------|-----|-----------|---------------------|
| 7/22/06 | Arlington | Modesty Handicap | III | \$150,000 | 1 3/16 Miles (turf) |
| 7/22/06 | Arlington | American Derby | II | \$250,000 | 1 3/16 Miles (turf) |
| 7/22/06 | Arlington | Arlington Handicap | III | \$200,000 | 1 1/4 Miles (turf) |
| 7/22/06 | Ellis Park | HBPB Handicap | | \$50,000 | 1 Mile |
| 7/22/06 | Belmont | The Coaching Club American Oaks | I | \$300,000 | 1 1/4 Miles |
| 7/22/06 | Belmont | The Evan Shipman Hcp | I | \$100,000 | 1 1/16 Miles |
| 7/22/06 | Calder | Bob Umphrey Turf Marathon | | \$250,000 | 2 Miles |
| 7/26/06 | Saratoga | Schuylerville Stakes | III | \$100,000 | 6 Furlongs |
| 7/27/06 | Saratoga | Sanford Stakes | II | \$150,000 | 6 Furlongs |
| 7/28/06 | Saratoga | Lake George | III | \$100,000 | 1 1/16 Miles (turf) |
| 7/29/06 | Arlington | Washington Park Handicap | II | \$300,000 | 1 3/16 Miles |
| 7/29/06 | Ellis Park | Don Bernhardt | | \$50,000 | 6 1/2 Furlongs |
| 7/29/06 | Saratoga | The Diana | I | \$500,000 | 1 1/8 Miles (turf) |
| 7/29/06 | Saratoga | The Jim Dandy | II | \$500,000 | 1 1/8 Miles |
| 7/30/06 | Saratoga | Go For Wand | I | \$250,000 | 1 1/8 Miles |
| 7/30/06 | Emerald Downs | Mt. Rainier Breeders' Cup | | \$100,000 | 1 1/8 Miles |
| 7/31/06 | Saratoga | Amsterdam Stakes | II | \$150,000 | 6 1/2 Furlongs |
| 8/2/06 | Saratoga | NY Stallion Series | | \$150,000 | 1 1/8 Miles (turf) |
| 8/3/06 | Saratoga | NY Stallion Series | | \$150,000 | 1 1/8 Miles (turf) |
| 8/4/06 | Saratoga | Honorable Miss Handicap | II | \$150,000 | 6 Furlongs |
| 8/5/06 | Arlington | Sea O' Erin BC Mile | | \$150,000 | 1 Mile (Turf) |
| 8/5/06 | Ellis Park | Regaey Island | | \$50,000 | 1 1/16 Miles (turf) |
| 8/5/06 | Ellis Park | Anna M. Fisher Debutante | | \$50,000 | 7 Furlongs |
| 8/5/06 | Ellis Park | James C. Ellis Juvenile | | \$50,000 | 7 Furlongs |
| 8/5/06 | Ellis Park | The Gardenia | III | \$150,000 | 1 Mile |
| 8/5/06 | Saratoga | Test | I | \$250,000 | 7 Furlongs |
| 8/5/06 | Saratoga | Whitney Handicap | I | \$750,000 | 1 1/8 Miles |
| 8/5/06 | Calder | Desert Vixen Stakes | | \$100,000 | 6 Furlongs |
| 8/5/06 | Calder | Dr. Fager Stakes | | \$100,000 | 6 Furlongs |
| 8/5/06 | Calder | Turf Sprint Championship | | \$250,000 | 5 Furlongs (turf) |

EXHIBIT 7

| | | | | | |
|---------|---------------|-----------------------------------|-----|-------------|---------------------|
| 8/5/06 | Calder | Distaff Turf Sprint Championship | | \$250,000 | 5 Furlongs (turf) |
| | | | | | |
| 8/6/06 | Emerald Downs | Seattle Slew BC | | \$65,000 | 1 1/16 Miles |
| 8/6/06 | Monmouth Park | The Taylor Made Matchmaker | III | \$150,000 | 1 1/8 Miles (turf) |
| 8/6/06 | Monmouth Park | The Oceanport Hcp | III | \$150,000 | 1 1/16 Miles (turf) |
| 8/6/06 | Monmouth Park | The Haskell Invitational Handicap | I | \$1,000,000 | 1 1/8 Miles |
| 8/6/06 | Saratoga | Fourstardave Handicap | II | \$150,000 | 1 1/16 Miles (turf) |
| | | | | | |
| 8/7/06 | Saratoga | National Museum Hall of Fame Hcp | II | \$150,000 | 1 1/8 Miles (turf) |
| | | | | | |
| 8/12/06 | Arlington | Secretariat Stakes | I | \$400,000 | 1 1/4 Miles (turf) |
| 8/12/06 | Arlington | Beverly D. Stakes | I | \$750,000 | 1 3/16 Miles (turf) |
| 8/12/06 | Arlington | Arlington Million XXIV | I | \$1,000,000 | 1 1/4 Miles (turf) |
| 8/12/06 | Delaware Park | Nick Shuk | | \$75,000 | 1 1/16 Miles (turf) |
| 8/12/06 | Ellis Park | Audubon Oaks | | \$50,000 | 1 1/16 Mile (turf) |
| 8/12/06 | Saratoga | Sword Dancer Invitational Hcp | I | \$500,000 | 1 1/2 Miles (turf) |
| 8/12/06 | Saratoga | The Alfred G. Vanderbilt Handicap | II | \$200,000 | 6 Furlongs |
| | | | | | |
| 8/13/06 | Saratoga | The West Point | | \$100,000 | 1 1/8 Miles (turf) |
| 8/13/06 | Monmouth Park | Monmouth BC Oaks | III | \$200,000 | 1 1/16 Miles |
| | | | | | |
| 8/18/06 | Saratoga | Lake Placid Handicap | II | \$150,000 | 1 1/8 Miles (turf) |
| | | | | | |
| 8/19/06 | Saratoga | The Yaddo | | \$100,000 | 1 1/8 Miles (turf) |
| 8/19/06 | Monmouth Park | The Phillip H. Iselin Handicap | III | \$250,000 | 1 1/8 Miles |
| 8/19/06 | Arlington | The Arlington Oaks | III | \$100,000 | 1 1/8 Miles |
| 8/19/06 | Ellis Park | Ellis Park Breeders' Cup Turf | | \$100,000 | 1 1/16 Miles (turf) |
| 8/19/06 | Emerald Downs | Washington BC Oaks | | \$100,000 | 1 1/8 Miles |
| 8/19/06 | Saratoga | Alabama Stakes | I | \$600,000 | 1 1/4 Miles |
| | | | | | |
| 8/20/06 | Emerald Downs | Emerald Breeders' Cup Distaff | | \$100,000 | 1 Mile |
| 8/20/06 | Emerald Downs | Longacres Mile | III | \$250,000 | 1 Mile |
| | | | | | |
| 8/23/06 | Saratoga | The Albany | | \$100,000 | 1 1/8 Miles |
| | | | | | |
| 8/25/06 | Saratoga | Personal Ensign Handicap | I | \$400,000 | 1 1/4 Miles |
| | | | | | |
| 8/26/06 | Arlington | Arlington BC Sprint | | \$150,000 | 6 Furlongs |
| 8/26/06 | Ellis Park | The Governor's Handicap | | \$50,000 | 1 Mile |
| 8/26/06 | Saratoga | Travers Stakes | I | \$1,000,000 | 1 1/4 Miles |
| 8/26/06 | Saratoga | King's Bishop | I | \$250,000 | 7 Furlongs |
| 8/26/06 | Saratoga | Ballston Spa BC Handicap | II | \$200,000 | 1 1/16 Miles (turf) |

EXHIBIT 7

| | | | | | |
|---------|-------------------|---------------------------|-----|-----------|---------------------|
| 8/26/06 | Saratoga | Bernard Baruch | II | \$200,000 | 1 1/8 Miles (turf) |
| 8/26/06 | Monmouth Park | The Eatontown | III | \$150,000 | 1 1/16 Miles (turf) |
| 8/27/06 | Saratoga | Ballerina Handicap | I | \$250,000 | 7 Furlongs |
| 8/27/06 | Monmouth Park | The Molly Pitcher BC | II | \$300,000 | 1 1/16 Miles |
| | | | | | |
| 9/2/06 | Monmouth Park | The Red Bank | III | \$150,000 | 1 Mile (turf) |
| 9/2/06 | Calder | Affirmed Stakes | | \$150,000 | 7 Furlongs |
| 9/2/06 | Calder | Susan's Girl Stakes | | \$150,000 | 7 Furlongs |
| 9/2/06 | Saratoga | Forego Handicap | I | \$250,000 | 7 Furlongs |
| 9/2/06 | Arlington | Arlington Matron Handicap | III | \$150,000 | 1 1/8 Miles |
| 9/2/06 | Delaware Park | Kent BC | III | \$500,000 | 1 1/8 Miles (turf) |
| 9/2/06 | Ellis Park | The Tri-State Handicap | | \$50,000 | 1 1/16 Miles (turf) |
| | | | | | |
| 9/3/06 | Saratoga | The Spinaway | II | \$250,000 | 7 Furlongs |
| 9/3/06 | Saratoga | Saranac Handicap | III | \$100,000 | 1 3/16 Miles (turf) |
| 9/3/06 | Emerald Downs | Barbara Shinnpoch Stakes | | \$100,000 | 1 Mile |
| | | | | | |
| 9/4/06 | Monmouth Park | The Sapling | III | \$150,000 | 6 Furlongs |
| 9/4/06 | Saratoga | Glen Falls Handicap | III | \$100,000 | 1 3/8 Miles (turf) |
| 9/4/06 | Saratoga | Hopeful Stakes | I | \$250,000 | 7 Furlongs |
| 9/4/06 | Emerald Downs | Emerald Downs BC Derby | | \$100,000 | 1 1/8 Miles |
| 9/4/06 | River Downs | Miller G.D. Cradle Stakes | | \$200,000 | 1 1/16 Miles |
| 9/4/06 | Philadelphia Park | Pennsylvania Derby | II | \$750,000 | 1 1/8 Miles |
| 9/4/06 | Thistledown | The Governors Buckeye Cup | | \$75,000 | 1 1/4 Miles |

Full & Partial Cards**Arlington Park: July 19, 2006 – September 6, 2006****Belmont Park: July 19, 2006 – July 23, 2006****Saratoga Race Course: July 26, 2006 – September 6, 2006****Ellis Park: July 19, 2006 – September 4, 2006****Calder Race Course: July 24, 2006 – September 4, 2006****Thistledown: July 24, 2006 – September 4, 2006****River Downs: July 24, 2006 – September 4, 2006****Monmouth Park: August 6, 2006****Woodbine: July 19, 2006 – September 6, 2006****Hastings Park: July 22, 2006 – September 4, 2006****Fort Erie: July 22, 2006 – September 4, 2006**

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": N/A

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": N/A

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

- I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track Breed of Horse Race Dates Number of Races to be Imported

| | | | | | |
|----------|---------|-----------------------|---|-------------|-----------|
| 09/04/06 | Ruidoso | All American Futurity | I | \$2,200,000 | 440 Yards |
|----------|---------|-----------------------|---|-------------|-----------|

- J. For **ALL** racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vaning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:
Del Mar Thoroughbred Club, P.O. Box 700, Del Mar, CA 92014
- B. Names and addresses of the trustees or directors of the distributing agent:

| | |
|---|---|
| Rollin Baugh P.O. Box 2461 Rancho Santa Fe, CA 92067 | Dr. James R. Buell 4790 Caughlin Pkwy # 518 Reno, NV 89509 |
| Joseph W. Harper P.O. Box 700 Del Mar, CA 92014 | Terrence J. Lanni MGM Mirage 3600 Las Vegas Blvd., South Las Vegas, NV 89109 |
| Warner C. Lusardi Lusardi Construction Company 1570 Linda Vista Drive San Marcos, CA 92078 | Betty Mabee P.O. Box 2833 Rancho Santa Fe, CA 92078 |
| Thomas C. Stickel 50 Blue Anchor Cay Road Coronado, CA 92118 | Robert S. Strauss Akin, Gump Strauss, Hauer & Feld 1333 New Hampshire Ave., N.W. Washington DC 20036 |
| Martin J. Wygod The Wygod Group P.O. Box 676306 Rancho Santa Fe, CA 92067 | |

- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? ☒ Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- | | |
|--------------------------------|-------------------------------|
| A. Association Veterinarian(s) | Steve Buttgenbach, DVM |
| Clerk of Scales | Ruben Hernandez |
| Clerk of the Course | Melanie Stubblefield |
| Film Specialist | Charles McCaul |
| Horse Identifier | Dianne Piper |
| Horseshoe Inspector | Victor Tovar |
| Paddock Judge | Dawn Jackson |
| Patrol Judges | Sue Brent |
| | Charles McCaul |
| Placing Judges | Robert Moreno |
| | Tora Yamaguchi |
| | Merry Young |
| Starter | Gary Brinson |
| Timer | Dane Nelson |

- B. Management officials in the racing department:
- | | |
|-------------------------------------|--------------------------|
| Vice President, Racing | Thomas S. Robbins |
| Racing Secretary | Thomas S. Robbins |
| Assistant Racing Secretary | Rick Hammerle |
| Paymaster of Purses | Bridget Crawford |
| Others (identify by name and title) | N/A |
- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Barbara Weinstein, PMB 265, 9582 Hamilton Ave, Huntington Beach, CA 92646, (714) 964-7102**
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract: **Contract currently in negotiations with Plusmic Corporation, William O'Brien, Digital Photo Finish Only**
If approved, contract will end: 12/31/2008
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Patrick Troutman, Churchill Downs Simulcast Productions, Inc.
Expiration: 12/31/06 Equipment list on file with the Board.
For all dirt and turf races, video patrol will utilize five manned cameras. Four tower cameras show the backstretch head-on (Training Track Camera Tower), far turn and stretch run back view (Quarter Chute Camera Tower) and stretch run head-on (Livestock Barn Camera Tower). Two pan cameras located adjacent to the placing judges room in the Press Box cover the entire race. Additionally, we have a pan camera on the 7th floor, which covers the entire race in 16 x 9 format for our video board presentation.
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract: **Solely owned by Association.**

11. SECURITY CONTROLS

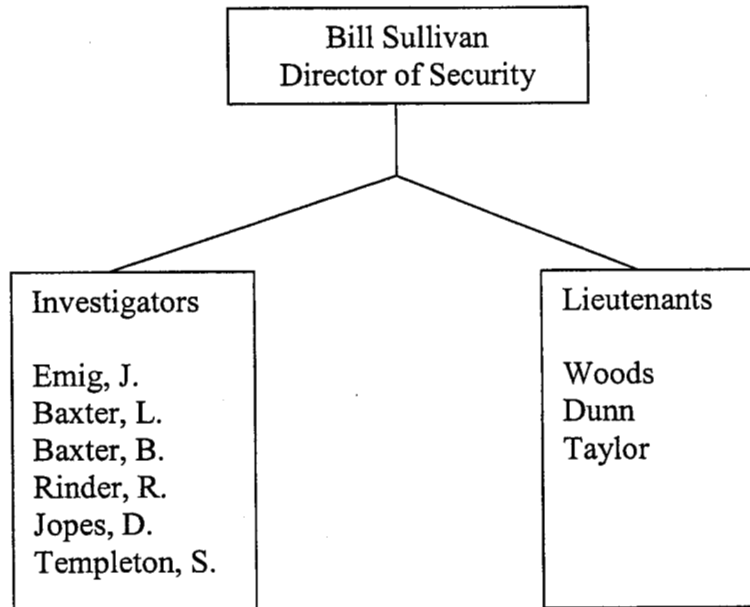
- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Exhibit 8**
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **75**
1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **Exhibit 9**
 2. Detention Barns:
 - A. Attach a plan for use of graded stakes or overnight races. **Exhibit 10**
 - B. Number of security guards in the detention barn area during a 24-hour period.
12 in detention barn area
 - C. Describe number and location of surveillance cameras in detention barn area.

Exhibit 8**Security Personnel**

Person responsible for security controls on the premises:

Bill Sullivan, Director of Security.

Security Department:*

**Contact Information**

| | |
|---------------|--|
| Bill Sullivan | Work 858-755-1141 ext. 3652, Home 760-753-6003 |
| Sam Templeton | Work 858-755-1141 ext. 3698 |
| All others | Work 858-755-1141 ext. 3650 |

*List of Security Personnel subject to change. Individuals will be hired by the union on a seniority basis.

2006 Gate Schedule

| Gate | Shifts | | | | | | | | | | | | | |
|---------------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|------|------|------|
| | 12am | 1am | 2am | 3am | 4am | 5am | 6am | 7am | 8am | 9am | 10am | 11am | 12pm | 12pm |
| 24 hr Main Gate | | | | | | | | | | | | | | |
| 24 hr Solana Gate | | | | | | | | | | | | | | |
| 19 hr Official Gate | | | | | | | | | | | | | | |
| 7 hr Stable Gate | | | | | | | | | | | | | | |

Exhibit 9

This memorandum provides additional detail regarding enhanced security for graded stakes at the 2006 race meet. In 2004, Del Mar was the first track in California to implement enhanced security for all graded stakes. Working in conjunction with TOC and CTT, Del Mar set the stage for further development of security procedures at Fairplex, Oak Tree, Santa Anita and Hollywood Park.

Components of the 2006 plan include the following:

1. Assignment of event security personnel to each graded stakes entry beginning no less than six (6) hours prior to post-time for the race;
2. Training of event security personnel by the Del Mar racing office, Del Mar security supervisors and CHRB investigators;
3. Provision and monitoring of log/surveillance sheets requiring all individuals entering the stall of an entrant to provide license information and purpose of entry;
4. Hand-held digital video cameras for all event surveillance personnel to record activity by persons entering stalls;
5. Total carbon dioxide (TCO₂) level testing of entries in all races consistent with the testing at preceding race meets;
6. Compliance with TCO₂ detention barn procedures, protocols and disciplinary procedures as set forth in agreements with TOC and CTT. A copy of current protocols and procedures is attached as Exhibit 11.
7. Enhanced authority to conduct additional supplementary testing as set forth in Section 22 of Del Mar's 2006 stall application, a copy of which is attached.

UNIFORM STALL APPLICATION
CONDITIONS APPLICABLE TO OCCUPATION OF STALL SPACE AT
CALIFORNIA RACING ASSOCIATIONS

The undersigned Trainer ("Applicant") hereby agrees to each of the following terms and conditions in consideration for and as a condition of the granting of permission by the Racing Association designated on the reverse side of this application ("Track") for the stabling of horses being trained by the undersigned at Track, or at any approved auxiliary training facility, during the race meeting identified on the face of this application (the "Race Meet"):

1. Track reserves the right without notice to the Applicant, (a) to refuse this application for stable space in whole or in part, or (b) to refuse the entry or the acceptance of any entry in any race or (c) to refuse the transfer of an entry for any cause, so long as said refusal is not in violation of the terms of the race meet agreements with either the Thoroughbred Owners of California or California Thoroughbred Trainers.
2. If any horse is denied stable space or the privilege of registration for racing for any reason, all nomination fees and payments for eligibility to stake races that have been paid with respect to the horse shall be refunded and such sum will be deducted from the total amount subscribed for the particular race or races. Allocations of stall space are made only with the agreement of Applicant that Track reserves to itself the exclusive right, in its sole discretion, to enter, modify, alter, or change the physical condition or use of its facilities: that the permission granted to Applicant to use Track's facilities is solely for the purpose incidental to racing, does not constitute a lease of the facilities and Track maintains the sole interest in and exclusive control of its premises and facilities: and the Track reserves to itself the exclusive right and sole discretion to reduce or totally eliminate the number of stalls or other accommodations assigned and/or change the location of stall or accommodations assigned to Applicant.
3. After submitting this application for stalls, the undersigned shall notify Track immediately of any change in stall requirements and, if stalls have been allocated, of any shipping schedules or change in shipping arrangements.
4. Applicant has inspected the stalls and other accommodations at Track, or if applicable at any approved auxiliary training facility, and agrees to accept any stalls or accommodations assigned pursuant to this application in an "as is" condition. Applicant understands that Track makes no representation or warranty as to the condition or use of stalls and other accommodations assigned.
5. Applicant agrees to remove his horses and/or those in his possession, charge, or control together with all personal property belonging to him or of which he has possession, charge or control from Track forthwith upon the expiration of seventy-two (72) hours after Track has given notice in writing to vacate the stabling accommodation, which notice may be given in the absolute discretion of Track without any reason or cause existing or being stated or given; any such notice or any other given hereunder shall be sufficiently given by posting up such notice on some portion of the stabling accommodation allotted to him and such notice shall be deemed to be given at the time when the same is posted up. The Applicant understands that his employees shall leave Track, forthwith upon the expiration of seventy-two (72) hours after notice has been given as aforesaid. Applicant agrees that if upon the expiration of the said seventy-two (72) hours notice hereinbefore mentioned, any horse or horses or personal property belonging to him or in his possession, charge or control, have not been removed from Track, Track shall be entitled to remove the same from Track without further notice to a suitable location at Applicant's expense and Track shall in no event be responsible for any such horse or horses removed as aforesaid. Applicant agrees that in the event of the horses being stabled

elsewhere at his expense as foresaid that the person, firm or corporation stabling the horses or paying for the stabling of same shall have all the rights as provided by law.

6. The undersigned Applicant represents that Applicant is familiar with and has read the Rules of Racing and Regulations of the California Horse Racing Board, and all conditions applicable to the Race Meet, as well as the rules and regulations of Track, and agrees to be bound by and to comply with the same. All stable reservations and entries in stakes and all other races shall be subject to all conditions, rules and regulations of the California Horse Racing Board and Track and in this application contained. Applicant represents that the owners of all horses listed on the reverse of this application have authorized Applicant to sign this application and have agreed that their horses being trained by Applicant will be bound thereby. All references herein to Applicant or to Applicant's horses, equipment, agents or employees, shall include said owners and their horses, equipment, agents and employees.
7. The Stewards of the Race Meet or the California Horse Racing Board shall decide all disputes, claims and objections relating to the conduct of racing, or with respect to interpretation of any rules or conditions of racing or otherwise. Subject to all legal rights of appeal, Applicant agrees to accept and abide by all decisions of such officials pertaining to the presence or conduct of themselves or of their agents and employees on the premises of Track.
8. In all stakes, entries may be made only through the entry box by the usual time of closing of entries, on the day before the race, or at other times when the conditions for the race specifically so state.
9. Track reserves the right to cancel any stake or other race, which has not filled prior to the actual running thereof without liability to any person, except for the return of nomination and entrance fees, paid. Track reserves the right to divide the added money for any stake that is run in more than one division.
10. Horses claimed by, or transferred or sold to, any person or stable which is not registered for racing at Track must be removed from the grounds within twenty-four (24) hours after they are claimed, transferred or sold unless their continued presence is approved by the racing association then conducting racing at Track.
11. Track will in no event be considered to have responsibility for the care, custody or control of horses kept at Track or elsewhere. Applicant assumes full responsibility for the safety and well-being of all horses stabled by Applicant at Track, and agrees to take all reasonable measures for the protection of such horses, including providing adequate supervision for such animals while on the premises, hiring competent personnel to care for such animals at all times, cleaning and maintaining stalls assigned pursuant to this application and removing any hazardous condition from such stalls which is known to Applicant or Applicant's employees, or if Applicant believes that such condition should be remedied by Track, promptly calling to the attention of Track in writing, any such hazardous conditions. Applicant further agrees to properly supervise all Applicant's employees, agents, their express invitees, and other persons known to them to be in the area assigned to them pursuant to this application, and hereby acknowledges that they are responsible for the conduct of their employees, agents and express invitees, and that Track has no obligation to remedy any condition on the Track premises which may be caused by the negligence of or willful conduct of any such employees, agents or express invitees, unless it has prior written notice of the existence of such condition and has had a reasonable opportunity to repair such condition.
12. The Applicant understands that there may be numerous hazards and risks of injury to Applicant, and Applicant's agents, owners, or employees, upon the Track premises at Applicant's invitation and to their property, which hazards, and risks inherently incidental to accepting stalls at, practicing for, and participating in thoroughbred horse racing at Track.
13. Applicant shall maintain an accurate Stable Employee Registration List and shall submit a copy thereof to Track. Applicant shall pay his/her stable personnel at wage rates

- conforming to applicable laws. Applicant's stable personnel shall continue to be covered under the prevailing and applicable statutory employee benefit programs such as Worker's Compensation, Disability, Unemployment, Social Security and the like. Applicant shall comply with the Fair Employment Practices Act and shall not discriminate by reason of race, color, creed, national origin or sex in hiring employees. Applicant acknowledges that his/her stable personnel are employees of the Applicant and that no employment relationship exists between such stable personnel and Track.
14. In making this application to participate in thoroughbred racing, Applicant understands that an investigative report may be made whereby information is obtained by Track through personal interviews with third parties, such as family members, business associates, financial sources, friends, neighbors, or others with whom he is acquainted. This inquiry may include information as to his/her character, general reputation, personal characteristics and mode of living, which may be applicable. Applicant has the right to make a written request within a reasonable period of time for a complete and accurate disclosure of additional information concerning the nature and scope of the investigation.
 15. Each party to this stall application shall be liable for its own acts and omissions as well as those of its agents, employees and express invitees to the same extent as would be provided at law without such provision.
 16. Applicant agrees to indemnify and hold harmless Track and its affiliates against any and all claims, liabilities, losses, costs, damages and attorneys' fees incurred by reason of the negligence of Applicant or Applicant's agents, employees and invitees, or resulting from Applicant or Applicant's agents, employees and invitees, violation of this agreement, including, but not limited to, violation of the rules and regulations of the CHRB and Track and violation of city and county fire, health or law enforcement, ordinances, rules and regulations. Applicant's indemnity shall not extend to liabilities, claims, losses, damages or attorneys' fees arising out of the negligence or willful acts or omission of Track or its respective agents or employees.
 17. If horses accepted for racing at Track are assigned to an approved auxiliary training facility, then the provisions of this application shall also apply to such other facility.
 18. Applicant agrees to be responsible for any damages to rooms assigned to Applicant caused by Applicant or Applicant's employees, agents and invitees. In the event such damage is repaired by Track, the cost of such repairs shall be charged to the Applicant.
 19. Emergency Action Plan: Applicant shall be responsible for complying with all OSHA regulations as they pertain to Applicant's employees. Track is not responsible for training or accounting for any employees other than its own during an emergency. Copies of the Track Emergency Action Plan are available in the Operations office upon request.
 20. The granting of stalls and other accommodations pursuant to this application in whole or in part shall not constitute a lease of space but a revocable license only and may be revoked at any time by Track in its absolute discretion.
 21. The undersigned Applicant acknowledges that each additional starter in a race is projected to produce an increase in mutuel handle, which, is in turn projected to increase purse revenues. Applicant understands that he/she is expected to average at least one (1) start per month for each stall allotted during the race meet covered by this application.
 22. Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered into races to be conducted at the Race Meet. Such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide per liter of plasma in excess of the level specified in the Race Meet Agreement(s) between the Track and the Thoroughbred Owners of California or California Thoroughbred Trainers shall be subject to the disciplinary measures specified in such Agreement.
 23. In order to assure the protection of the public, to maintain and encourage confidence in the integrity of horse racing and to safeguard the health and safety of human and equine participants, Applicant acknowledges that Applicant and Applicant's agents, employees and affiliates have no expectation of privacy with

respect to stalls and living quarters and appurtenant facilities provided by Track. Track specially reserves the right to conduct searches of stall areas, offices, tack rooms, and other living quarters assigned to Applicant at any time and without notice and to conduct supplemental testing of horses in training or competition, and Applicant hereby consents to such actions. Track may, in its discretion, establish rules, regulations, testing and security procedures that may limit or eliminate Applicant's ability to participate in racing or training activities at Track or any auxiliary training facility, subject only to the agreement(s) of the Thoroughbred Owners of California and the California Thoroughbred Trainers. Any such rules, regulations or procedures shall be in addition to and shall not supplant or be supplanted by rules and regulations of the California Horse Racing Board or the testing specified in Paragraph 22.

THIS IS NOT A LEASE OF ANY SPACE BUT IS MERELY A REVOCABLE LICENSE OR PERMIT ON THE TERMS OUTLINED

TRAINER'S SIGNATURE

Print Name _____

DATE _____

Worker's Compensation Insurance Carrier _____ Policy Number

_____ Date of Expiration _____

Address of Carrier

Exhibit 10

Detention Barn Plan for Use of Graded Stakes or Overnight Races

1. Assignment of event security personnel to each graded stakes entry beginning no less than six (6) hours prior to post-time for the race;
2. Training of event security personnel by the Del Mar racing office, Del Mar security supervisors and CHRB investigators;
3. Provision and monitoring of log/surveillance sheets requiring all individuals entering the stall of an entrant to provide license information and purpose of entry;
4. Hand-held digital video cameras for all event surveillance personnel to record activity by persons entering stalls

For the meet we will be utilizing twelve stalls in barn "KK" as our detention barn. The exact layout has yet to be determined, but we will install fixed cameras in each of the ten detention stalls as well as fixed cameras viewing the shedrow from both directions. As with the barn area, surveillance control and viewing will be from the CHRB Investigators' office on the Frontside.

3. TCO2 Testing:

- A. Number of races to be tested, and number of horses entered in each race to be tested. **All**
- B. Plan for enhanced surveillance for trainers with high-test results. **Exhibit 11**
- C. Plan for detention barns for repeat offenders. **Exhibit 11**
- D. Number of security personnel assigned to the TCO2 program. **Assigned as needed**

C. Describe the electronic security system: Del Mar Thoroughbred Club uses a door alarm management system for its Executive and Operations offices utilizing Proximity cards and Proximity Access Keyfobs via door controllers located at entrances. The system comes with related door alarm management software.

- 1. Location and number of video surveillance cameras for the detention barn and stable gate.
Del Mar Thoroughbred Club utilizes seven pan/tilt/zoom cameras located at various places in the barn area. The images from these cameras are recorded on disk drives and stored for up to three weeks before being rerecorded. Control of these cameras is located in the Investigators' Office of the CHRB during the meet.

D. For night racing associations. Describe emergency lighting system: Not applicable

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
Huntington Ambulance, Box 145, Sunset Beach, CA 90742, (562) 904-1550
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
Fairplex: Cole-Schaefer Ambulance Service, 324 N. Towne Avenue, Pomona, CA 91767, (800) 966-4727

Santa Anita: Huntington Ambulance Service – See (A) above
San Luis Rey Downs: Fallbrook/Bonsall Fire Department/Paramedics (760) 723-2005
- C. Attach a fire clearance from the fire authority having jurisdiction over the premises.
Inspection scheduled for July 17, 2006
- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):
Zenith Insurance Company, Policy No.: Z047828006, Effective 3/31/06 – 3/31/07
- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.
Exhibit 12

Exhibit 11

Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2006 Meet. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, and owners' horses within their control, will be subject to the following:

- A. **1st Offense** – For the first test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse may have his/her barn, and all owners' horses stabled therein, subject to "earned surveillance" for a period of 45 days from the date of the infraction. Such earned surveillance will be conducted at TRACK's sole discretion, and may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days after notification of the first offense, may be subject to confinement in a detention barn beginning at noon on the day before said horse is scheduled to compete. Such detention barn will be established at management's sole discretion, with the costs of such detention/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, being born by the trainer or owner of such horse.
- B. **2nd Offense** – For the second test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be prohibited from entering any owners' horse within his/her care in a race for a period of 15 race days.
- C. **3rd Offense** – For the third test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be expelled from TRACK's enclosure for a period of one year, and shall further be precluded from entering any owners' horses within his care for the balance of Track's 2006 Meet.

Track further agrees that it shall enforce these penalties when imposed as a result of similar contract provisions with other racing associations in California. By way of example only, Track agrees that should any horse running at its meet be subject to detention barn confinement as the result of a positive at another

association, Track will continue to require detention barn confinement for the remainder of said 30 day period. Also by way of example, should a trainer have a TCO2 positive or positives at a race meet other than its own and a subsequent positive at Track's race meet or at another associations meet, Track will enforce paragraph B, and may, at its discretion, enforce paragraph C above as though the original positive(s) had taken place at its meet.

| | | |
|--|--|---|
| ACORD™ CERTIFICATE OF LIABILITY INSURANCE | | DATE (MM/DD/YYYY) 4/5/2006 |
| PRODUCER (415) 957-0600 FAX (415) 957-0577 MOC Insurance Services License No. 0589960 44 Montgomery St., 17th Fl. San Francisco CA 94104 | | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. |
| INSURED Del Mar Thoroughbred Club P. O. Box 700 Del Mar CA 93104 | | |
| | | INSURERS AFFORDING COVERAGE |
| | | INSURER A: Zenith Insurance Co. |
| | | INSURER B: |
| | | INSURER C: |
| | | INSURER D: |
| | | INSURER E: |

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | ADD'L INSRD | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS |
|----------|-------------|--|---------------|----------------------------------|-----------------------------------|--|
| | | GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC | | | | EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ |
| | | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | | COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ |
| | | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$ |
| | | EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$ | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$ |
| A | | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below | 2047828006 | 3/31/2006 | 3/31/2007 | <input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |
| | | OTHER | | | | |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER

California Horse Racing Board
 1010 Hurley Way, Suite 300
 Sacramento, CA 95825

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
 Sara Przemielewski/SPR



13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each: **Exhibit 13**

14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans: **Exhibit 14**

B. Number of hosts and hostesses employed for meeting:

We employ approximately 52 customer service representatives on weekdays (Monday, Wednesday and Thursday) and 62 on weekends (Friday, Saturday and Sunday).

C. Describe facilities set aside for new fans:

At Del Mar, virtually the entire facility is considered a new fan area, with customer service locations on every floor and in every betting area and with a complete staff of customer service representatives moving about the facility. In addition, a large portion of new fans are introduced to racing through our Group Sales department which provides customized introductions to racing or the day's card tailored to individual groups. Del Mar also offers a variety of free seminars and handicapping education for more serious newcomers.

D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:

1. Horsemen

Replacement of barns X, Y and Poultry with new structures and 206 new stalls (restricted area)

Ongoing replacement of stairways and balconies in the stable area living quarters (restricted area)

Ongoing replacement of flooring, doors, locks, window screens in living quarters (restricted area)

Replacement of wash racks to improve water runoff (restricted area)

Ongoing replacement of exterior lighting fixtures and electrical panels in stable area (restricted area)

Renovation of misc. restrooms in stable area (restricted area)

Improve drainage of turf course

New morning workout light poles at 1/8, 1/4, and 5/16 poles

Replacement of water and sewer lines beneath the dirt and turf tracks

New turf course camera tower

New remote control camera at 5/16 pole

2. Fans

Ongoing replacement of television monitors throughout facility

Ongoing replacement of grandstand and patio furniture

New 5th floor Celebrity Suite

Replacement of awning covers on grandstand patios

Improvement of lighting throughout facility

Improvement of sound system throughout facility

New asphalt paving in misc. parking lots

3. Facilities in the restricted areas

See D1

Exhibit 13

CONCESSIONS:

George Karetas, President
Premier Food Services, Inc.
7966 Arjons Drive
San Diego, CA 92126

TIP SHEETS:

Bruce M. Andrews, Jr.
Deuce Bruce
5910 Rancho Mission Rd.
#33
San Diego, CA 92108

Toby Turrell
Winners
14112 Enfield Circle
Westminster, CA 92683

Bob Baedeker
Baedeker, Inc.
130 West El Portal
San Clemente, CA 92672

Tiffany Bohland
Bob's Card, Inc.
420 S. Rolling Hills Place
Anaheim Hills, CA 92807

Harry Acquarelli
Duke Racing Selections
6632 West 87th Street
Los Angeles, CA 90045

SADDLERY SERVICES:

Jarry Hobson
Hobson Saddlery
28 North 1st Avenue
Arcadia, CA 91066

Frank Wipfli
Western Saddlery, Inc.
7038 Commerce Circle
Pleasanton, CA 94588

RACING COLORS:

Carol Henderson
Ann Roper Racing Colors
P.O. Box 1432
Glendora, CA 91740

June Gee
West Coast Racing Colors
1825 S. Peck Road, Suite E
Monrovia, CA 91016

Stephanie Searle
Classic Silks
P.O. Box 4572
Burlingame, CA 94011

MISCELLANEOUS CONCESSIONS/SERVICES:

H.E. Copeland
Armored Transport of California
3610 Barnett Street
San Diego, CA 92110

Robert Benoit
Benoit & Associates, Inc.
Track Photographers
2011 Cedar Ave.
Manhattan Beach, CA 90266

Michael Costello
United/Puett Electrical Starting
Gates
One Soundview Loop
South Salem, NY 10590

John Agostino, M.D.
Del Mar Medical Clinic
Track Physicians
1335 Camino Del Mar
Del Mar, CA 92014

Steve Stiles
Stiles Animal Removal Inc.
P.O. Box 428
Alta Loma, CA 91701

Steve Warner
Thoroughbred Feed
6200 Vista Del Mar # 115
Playa Del Ray, CA 90293

Gary S. Bell
Citrus Feed
PO Box 249
La Verne, CA 91750

Angel P. Unamuno
Angel's Feed
4518 Rowland Ave
El Monte, CA 91731

Bob Gordon
Gordon Feed Co.
5450 E. Katella # 111
Los Alamitos, CA 90720

Michael Brunner
Westwalk Corp.
Hotwalkers
583 36th St.
Manhattan Beach, CA 90265

Exhibit 14

DMTC will offer a variety of promotions this season to appeal to several different target markets including serious racing fans, young adults, families and new fans.

For our regulars we are introducing the Diamond Club, a free loyalty program that allows members to pay half-price admission every day they attend the races. The Diamond Club will not only reward our regulars for their frequent attendance, but it will also allow us to identify who our better customers are so that we may market to them more efficiently in the future. In addition, our regulars will enjoy three giveaway days (Sports Bag Day, Beach Blanket Day and Labor Day Mug Set Day), a \$25,000 Handicapping Contest, various Mystery Mutuel Tickets, Jockey Photo Days and a number of special wagering opportunities including a \$1,000,000 Guaranteed Pick Six on Pacific Classic Day and Guaranteed Pick Four pools every weekend.

Another priority for DMTC is attracting the young adult crowd to the racetrack. Our weekly Four O'clock Friday promotion, which combines a late post time with a post-race rock concert, is the cornerstone of our efforts and continues to draw thousands of young adults to the races each week. Other promotions that target the young adult crowd include the Microbrew Festival, the Reggae Festival and the Closing Day Party in the Paddock.

Although attending the races at Del Mar is primarily an adult activity, we have a number of promotions designed to attract families to the racetrack and make them feel comfortable. Family-oriented promotions include Kids' Weekends on the infield each Saturday and Sunday, Donuts Days during morning workouts and Family Fun Day featuring an appearance by SpongeBob SquarePants.

We also have a number of promotions that may appeal to new racing fans including the Opening Day Hats Contest, Ladies Day, Legends of Volleyball Day, the Chili Cookoff and Bar & Restaurant Day.

In addition to the various promotions listed above that are designed to attract people to Del Mar, we also have a number of promotions intended to simply make the day more fun. Some of these promotions include the Jockey Dunk Tank, the Coors Light Jockey of the Day, the Jockey T-shirt Throw and Sing with Bing.

15. SCHEDULE OF CHARGES**A. Proposed charges, note any changes from the previous year:**

| | |
|---|--|
| Stretch Run Admission (includes official program) | \$6.00 (regular)*, \$3.00 (Diamond Club), \$4.00 (Senior Citizen, AAA member) |
| Clubhouse Admission (includes official program) | \$10.00 (regular)**, \$5.00 (Diamond Club) |
| Reserved Seating (Stretch Run) | \$5.00 (\$15 Opening Day & Pacific Classic, \$10 Sat & Sun, \$8 Fri) |
| Reserved Seating (Clubhouse) | \$5.00 (\$15 Opening Day & Pacific Classic, \$10 Sat & Sun, \$8 Fri) |
| Parking (general) | \$6.00* |
| Parking (valet) | \$20.00 |
| Programs (on-track) | \$2.00 |
| Programs (off-track) | \$2.25 |

* **Increase of \$1.00**** **Increase of \$2.00****B. Describe any "Season Boxes" and "Turf Club Membership" fees:**

| | |
|--|--|
| Season Turf Club Membership (2 persons): | \$1050.00 |
| Season Turf Club Membership (1 person): | \$800.00* |
| Daily Turf Club Admission (member guests): | \$35.00 (\$75 on Opening Day) |
| Daily Turf Club Admission (non-member): | \$50.00 (\$100 on Opening Day) |
| Stretch Run & Clubhouse Season Box Seats: | \$255.00 to \$280.00 per seat** |
| Season Reserved Seat: | \$240.00** |

* **Increase of \$75.00**** **Increase of \$20.00****C. Describe any "package" plans such as combined parking, admission and program:****Turf Club memberships include valet parking. All paid admissions include official programs.****16. JOCKEYS/DRIVERS' QUARTERS****A. Check the applicable amenities available in the jockeys/drivers' quarters:**

| | | |
|--|---|--|
| <input checked="" type="checkbox"/> Corners (lockers and cubicles) | How many | <input type="text" value="73"/> |
| <input checked="" type="checkbox"/> Showers | <input checked="" type="checkbox"/> Steam room, sauna or steam cabinets | <input checked="" type="checkbox"/> Lounge area |
| <input checked="" type="checkbox"/> Masseur | <input checked="" type="checkbox"/> Food/beverage service | <input checked="" type="checkbox"/> Certified platform scale |

B. Describe the quarters to be used for female jockeys/drivers:**Includes a locker area (2), shower area, sauna area, lounge area, food and beverage service and a certified scale.****17. BACKSTRETCH EMPLOYEE HOUSING****A. Inspection of backstretch housing will be completed by CHRB staff on a date to be determined.****B. Number of rooms used for housing on the backstretch of the racetrack: 666****C. Number of restrooms available on the backstretch of the racetrack: 83**

- D. Estimated ratio of restroom facilities to the number of backstretch personnel:
14.45 workers to 1 restroom facility

18. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

| |
|-------|
| 5,280 |
|-------|

 feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Fontana Inner rail: Aluminum. Outer rail: Galvanized Steel Tubing. Inner rail supports: Aluminum with 9" offset. Coverings: Fontana Safety panels. Approximate height of the top inner rail: 40".
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Robert Sanchez, Plant Superintendent**
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file.**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

19. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **In negotiations**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **On file with CHRB.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association

except as follows (if no exceptions, so state): **No exceptions**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Craig R. Fravel
Print Name

Craig R. Fravel
Signature

Executive Vice President
Print Title

4/14/06
Date

STAFF ANALYSIS
APPROVAL OF SERVICE, OFFICIAL VETERINARIAN AND STEWARDS
CONTRACTS FOR 2006/07

Regular Board Meeting
May 25, 2006

BACKGROUND

Pursuant to Section 2.06 of the State Contracting Manual, state Boards and Commissions with contracts in excess of \$5,000, must provide a motion approving and authorizing execution of the agreement/contract.

ANALYSIS

The attached list of service, Official Veterinarian and Steward contracts is proposed for fiscal year 2006/07, with estimated annual costs. As noted on the attached list, some contracts are multi-year agreements and Board approval is requested for those with dollar amounts for single and multi-year terms. There are no significant deletions or modifications to the list of contractors. Steward and Official Veterinarian contracts are estimates based on assignments for the 2006 racing calendar. No guarantee of assignments are assumed, based on the attached list.

RECOMMENDATION

Staff recommends the Board approve the attached list of Steward, Official Veterinarian and service contracts for fiscal year 2006/07.

PROPOSED 2006/07 CONTRACTS – ESTIMATED COSTS

| SERVICE CONTRACTS | | | STEWARD SERVICES | |
|---|--|--|--|--|
| <div>Regents, UC Davis<ul style="list-style-type: none">• Drug Testing (1 year cost) \$2,200,000.00• Equine Medical Director (3 year cost) \$ 471,000.00• Postmortem Services (3 year costs) \$ 126,000.00</div> <div>CHP Radio Dispatch Svcs5 year cost\$ 15,000.00</div> <div>Teale Data Center3 year cost\$ 600,000.00</div> <div>A-Plus ID(Licensing Printer Maint.)2 year cost\$ 8,550.00</div> <div>State Controller's Office(Rush Claim Processing)3 Year cost\$ 11,750.00</div> <div>Pitney Bowes(Postage Meter Rentals)2 Year cost\$ 5,251.00</div> <div>Stericycle(Equine Waste Disposal)3 Year cost\$ 23,800.00</div> <div>Toshiba Business Solutions(Copier Maintenance)6 Year cost\$ 5,760.00</div> <div>State Personnel Board(Exam Services)3 Year cost\$ 12,150.00</div> <div>Health & Human Svcs(Accounting Data Program)3 Year cost\$ 25,500.00</div> <div>First Data Merchant Svcs(Credit Card Processing)5 Year cost\$ 22,035.00</div> <div>TOTAL COSTS\$ 3,526,796.00</div> | | | <div>Grant Baker</div> <div>Pamela Berg</div> <div>Albert Christiansen</div> <div>Scott Chaney</div> <div>Anne Daftary</div> <div>James Dreyer</div> <div>Martin Hamilton</div> <div>John Herbuveaux</div> <div>Steffan Imhoff</div> <div>Robert Latzo</div> <div>Darrel McHargue</div> <div>William Meyers</div> <div>Rueben Moreno</div> <div>Dennis Nevin</div> <div>Paul Nicolo</div> <div>David Samuel</div> <div>Kim Sawyer</div> <div>Steve Schwartz</div> <div>George Slender</div> <div>Violet Smith</div> <div>Zachary Soto</div> <div>Peter Tommila</div> <div>Nancy Ury</div> <div>Thomas Ward</div> <div>TOTAL COSTS\$1 ,720,000.00</div> | |
| | | | OFFICIAL VETERINARIAN SERVICES | |
| | | | <div>Gary Beck</div> <div>Donald Dooley</div> <div>Robert Goodbary</div> <div>Robert Guillen</div> <div>Joan Hurley</div> <div>Diane Isbell</div> <div>TOTAL COSTS\$ 488,000.00</div> | |

STAFF ANALYSIS
PROPOSED AMENDMENT OF
RULE 1433 APPLICATION FOR LICENSE TO CONDUCT
A HORSE RACING MEETING

Regular Board Meeting
May 25, 2005

BACKGROUND

Business and Professions (B&P) Code Section 19440 provides that the California Horse Racing Board (Board/CHRB) shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of the Horse Racing Law. Responsibilities of the Board include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19480 states that the Board may issue licenses to conduct horse racing meetings. CHRB Rule 1433, Application for License to Conduct A Horse Racing Meeting, provides that every association or fair that intends to conduct a horse racing meeting must file a completed application with the Board at least 90 days prior to its proposed meeting. At the February 2006 Regular Board Meeting the Board directed staff to notice for public comment an amendment to Rule 1433 that would require certain thoroughbred tracks to install a polymer, synthetic-type surface not later than December 31, 2007.

ANALYSIS

The proposed amendment to Rule 1433 provides that as of January 1, 2008, no racing association that operates four weeks or more of continuous thoroughbred racing in a calendar year shall be licensed to conduct a horse racing meeting at a facility that has not installed a polymer synthetic type racing surface. California has five thoroughbred racetracks that run meetings of four or more continuous weeks. The racetracks are: Del Mar Race Track; Santa Anita Park Race Track; Hollywood Park Race Track; Bay Meadows Race Track; and Golden Gate Fields Race Track. The California Fair Circuit, with meetings of fewer than four weeks, would be exempt. In addition, harness and quarter horse racing venues are not affected by the proposed amendment, as the suitability of synthetic racing surfaces for these breeds has not been determined. During the 45-day public comment period staff received several comments. One comment was entirely in favor of installing synthetic racetracks. Another comment suggested current tracks be improved, and suggested that so little is known about the synthetic racetracks that the Board could be introducing an entirely new set of problems. The third comment stated the proposed rule change is a well-intended "recipe for disaster."

RECOMMENDATION

Staff recommends the Board adopt the amendment as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 3. RACING ASSOCIATION
PROPOSED AMENDMENT OF
RULE 1433.
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING

Regular Board Meeting
May 25, 2006

1433. Application for License to Conduct a Horse Racing Meeting.

(a) Unless the Board requires an earlier filing, at least 90 days before the time allocated by the Board for a race meeting to start, the association shall file with the Board an Application for License to Conduct a Horse Racing Meeting, CHRB-17 (Rev. 07/05), which is hereby incorporated by reference. Note: CHRB-17 incorporates by reference, the Personal History Record, CHRB-25A (Rev. 7/93). A California fair shall file with the Board an Application for License to Conduct a Horse Racing Meeting of a California Fair, CHRB-18 (Rev. 07/05), which is hereby incorporated by reference. Copies of the CHRB-17 and CHRB-18 may be obtained at the California Horse Racing Board headquarters office.

(b) No racing association that operates four weeks or more of continuous Thoroughbred racing in a calendar year shall be licensed to conduct a horse racing meeting at a facility that has not installed a polymer synthetic type racing surface. This Subsection shall become operative on January 1, 2008.

Authority: Sections 19420 and 19440,
Business and Professions Code.

Reference: Sections 19480 and 19562,
Business and Professions Code.

STAFF ANALYSIS
PROPOSED AMENDMENT OF
RULE 1486. TERM OF LICENSE

Regular Board Meeting
May 25, 2006

BACKGROUND

Business and Professions (B&P) Code Section 19440 provides the Board shall license all persons, other than the public at large, who participate in a horse racing meeting with pari-mutuel wagering. B&P Code Section 19510 states no person required to be licensed may participate in any capacity in any horse race meeting without a valid and unrevoked license. B&P Code Section 19520 states every person not required to be licensed under Article 4 who participates in, or has anything to do with, the racing of horses shall be licensed by the Board pursuant to the rules and regulations the Board may adopt. B&P Code Section 19521 provides that an original license issued pursuant to this article shall be issued for a period of the calendar year in which it is issued, and shall be renewable for a period, not to exceed three years, which the Board may, by regulation, establish. B&P Code Section 19704 states the Board shall issue licenses for mule racing. The license shall be limited to mule races only. Under Board Rule 1486, Term of License, every original and renewal of occupational licenses for grooms, stable employees, stable assistants and mule racing participants expire in the calendar year in which they were issued. This has traditionally caused delays at Board licensing offices in the months of December and January, as large numbers of persons attempt to renew their occupational licenses.

ANALYSIS

The proposed amendment to Rule 1486 provides that every original occupational license as groom, stable employee, stable assistant and mule racing participant shall expire on the last day of the calendar year in which it is issued. This is in keeping with the provisions of B&P Code Section 19521, which states every original license shall be issued for a period of the calendar year in which it is issued. In addition, the proposed amendment states that such original license for groom, stable employee, stable assistant and mule racing participant shall automatically be extended to expire on the last day of the birth month of the licensee. The licenses shall thereafter expire on the last day of the birth month of the licensee on an annual basis. Automatically extending the license, and thereafter having the license expire on the last day of the birth month of the licensee, will cause the expiration date of such licenses to be spread over a twelve-month period, and alleviate the annual December license renewal backlog. The proposed amendment to Rule 1486 retains the one-year term of license for grooms, stable assistants and mule racing participants because grooms and stable assistants may frequently change employer or the track at which they work, and while some racing associations place stickers on licenses to indicate the holder is authorized access to the track, not all associations follow the practice.

RECOMMENDATION

Staff recommends the Board instruct staff to initiate the 45-day public comment period.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 4. OCCUPATIONAL LICENSES
PROPOSED AMENDMENT OF RULE
1486. TERM OF LICENSE

Regular Board Meeting
May 25, 2006

1486. Term of License.

(a) Every occupational ~~original~~ license, original or renewal, ~~and renewal of a license~~ granted by the Board under this Article, other than a license as a ~~Groom~~ groom, ~~Stable Employee~~ stable employee, ~~Stable Assistant~~ stable assistant and ~~Mule Racing Participant~~ mule racing participant shall expire in the its third year on the last day of the birth month of the licensee.

(b) Notwithstanding subparagraph (a) of this rule, every original occupational license as groom, stable employee, stable assistant and mule racing participant shall expire on the last day of the calendar year in which it is issued. Such original license shall be automatically extended to expire on the last day of the birth month of the licensee, and shall thereafter expire on the last day of the birth month of the licensee on an annual basis.

Authority: Sections 19440 ~~and 19703~~,
Business and Professions Code.

Reference: Sections 19510, 19520, 19521 ~~19512~~, and 19704,
Business and Professions Code.

STAFF ANALYSIS
PROPOSED AMENDMENT OF
RULE 1733. WHIPS

Regular Board Meeting
May 25, 2006

BACKGROUND

Business and Professions (B&P) Code Section 19420 provides that the Board has jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings. B&P Code Section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and control of horse racing and pari-mutuel wagering. B&P Code Section 19563 states the Board may adopt rules and regulations of the United States Trotting Association (USTA), not inconsistent with this chapter, for the regulation of harness racing. The USTA has amended its Rule 18 Section 9, which governs the maximum allowable length of a driver's whip. The amended USTA rule was effective May 1, 2006. The California liaison officer of the USTA and the harness stewards requested the Board amend Rule 1733, Whips, to be consistent with the newly amended USTA Rule 18 Section 9.

ANALYSIS

The proposed amendment to Rule 1733 would increase the allowable length of a driver's whip from three feet nine inches, plus a snapper not longer than six inches, to a maximum of four feet, plus a snapper not longer than six inches. The proposed amendment was initiated at the request of the harness industry and will bring Rule 1733 into agreement with the current USTA rule regarding the maximum allowable whip.

RECOMMENDATION

Staff recommends the Board instruct staff to initiate a 45-day public comment period.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 9. HARNESS RACING RULES
PROPOSED AMENDMENT OF
RULE 1733. WHIPS

Regular Board Meeting
May 25, 2006

1733. Whips.

Whips shall not exceed 3 four feet ~~9-inches~~ plus a snapper not longer than 6 six inches.

Whips shall be in good condition and are subject to inspection by the officials at any time.

Authority: Sections 19420 and 19440,
Business and Professions Code.

Reference: Section 19563,
Business and Professions Code.

STAFF ANALYSIS
PROPOSED TEMPORARY SUSPENSION OF
RULE 1606. COUPLING OF HORSES

Regular Board Meeting
May 25, 2006

BACKGROUND

Business and Professions (B&P) Code Section 19420 provides that the Board shall have jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings. B&P Code Section 19440 states the Board shall have all powers necessary and proper to enable it to carry out the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19562 provides the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in this State. At the December 2005 Pari-Mutuel Operations Committee meeting the practice of coupling was reviewed. The issue was discussed again at the January 2006 Regular Board Meeting where staff was directed to notice for a 45-day public comment period a proposed repeal of Rule 1606, Coupling of Horses; a proposed repeal of Rule 1974, Wagering Interest; and a proposed amendment of Rule 1420, Definitions. The proposal also included the amendment of a number of pari-mutuel wagering rules that would be affected by the repeal of Rule 1606. A hearing for the adoption of the proposed repeal of rules 1606 and 1974, and the amendment of related pari-mutuel regulations, was held at the April 2006 Regular Board Meeting. The Board determined it would not act on the proposal; instead, it proposed holding a Special Meeting of the Board to discuss waiving the coupling requirement by invoking Rule 1406, Suspension of Rule, to conduct an experiment at the spring race meetings at Hollywood Park Race Track (HPRT) in the south and Bay Meadows Race Track (BMRT) in the north. At the same time, staff was instructed to put out a 45-day notice regarding the proposal to repeal rules 1606 and 1974, and amendment of related pari-mutuel regulations. A Special Teleconference Board Meeting was held on May 15, 2006. At the meeting the Board voted to temporarily waive regulations requiring the coupling of horses, specifically for the two current thoroughbred meetings at HPRT and BMRT on the condition that there be at least five separate wagering interests prior to uncoupling.

ANALYSIS

The waiver of Rule 1606 at HPRT and BMRT temporarily eliminates the practice of coupling two or more horses as a single wagering interest when the same person or persons own such horses in whole or in part. The Board's decision to waive the rules permits uncoupling on an experimental trial basis at the two thoroughbred meetings. At the May 2006 Special Meeting,

the Board decided to revisit the issue to determine if additional conditions on the waiver are warranted.

RECOMMENDATION

This item is presented for discussion and action.

CALIFORNIA HORSE RACING BOARD

MAY 25, 2006
REGULAR BOARD MEETING

There is no board package material for Item 10.

**STAFF ANALYSIS
STAFF REPORT ON END-OF-MEET RESULTS**

**REGULAR BOARD MEETING
MAY 25, 2006**

Background:

This item contains end-of-meet report for the recently concluded race meet. Staff is prepared to answer questions regarding the information presented.

Recommendation:

This item is for information and discussion.

END-OF-MEET OUTLINE SUMMARY

For the California Horse Racing Board meeting May 25, 2006. This report includes a summary for the following race meet: LOS ANGELES TURF CLUB.

Los Angeles Turf Club

December 26, 2005 – April 23, 2006

Race Days: 86

AVERAGE DAILY STATISTICS

| | PERCENTAGE CHANGE |
|---------------------------------|-------------------|
| Ave. Daily Handle | 9.83% |
| Ave. On-Track | 10.57% |
| Ave. Off-Track | 1.83% |
| Ave. Interstate-Exported Handle | 12.80% |
| Ave. ADW | 19.93% |
| Ave. Daily Attendance | 5.11% |
| Ave. Daily On-Track Attendance | 15.18% |
| Ave. Daily Off-Track Attendance | -3.33% |

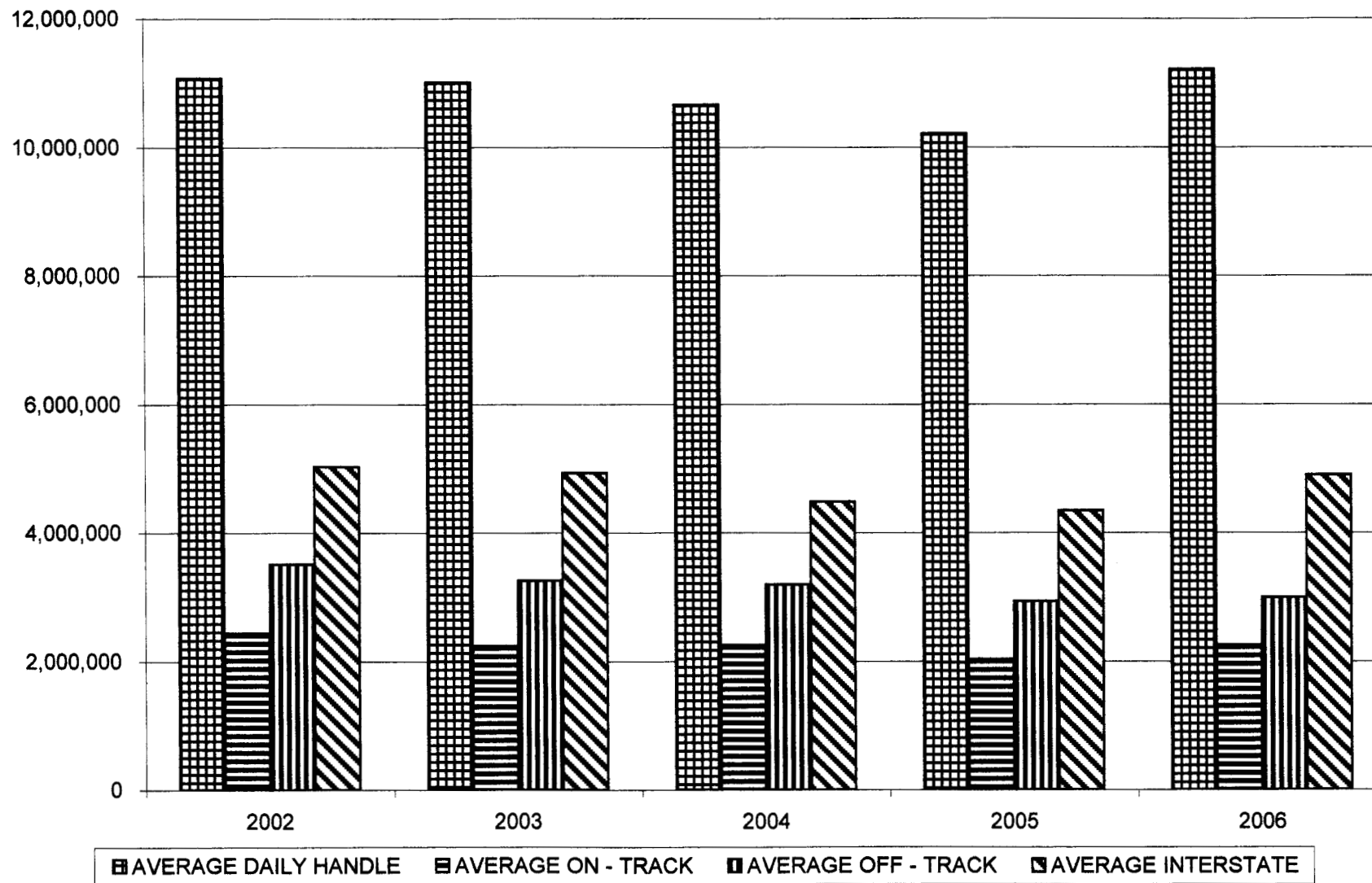
LOS ANGELES TURF CLUB

| YEAR | 2002 | 2003 | 2004 | 2005 | 2006 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
| TOTAL RACE DAYS | 85 | 85 | 84 | 85 | 86 |
| TOTAL HANDLE | 940,731,128 | 935,694,456 | 895,242,895 | 867,487,541 | 963,949,422 |
| ON-TRACK | 206,707,145 | 190,737,639 | 188,559,327 | 172,655,503 | 193,149,553 |
| OFF-TRACK | 298,361,575 | 277,104,148 | 268,511,134 | 249,376,558 | 256,916,467 |
| INTERSTATE | 427,066,993 | 418,816,075 | 376,693,400 | 369,224,008 | 421,386,001 |
| ADW | 8,595,414 | 49,036,595 | 61,479,034 | 76,231,473 | 92,497,402 |
| LIVE | 746,778,046 | 747,759,687 | 708,752,574 | 684,787,354 | 780,795,485 |
| INTRASTATE IMPORTED | 101,840,506 | 92,793,809 | 82,811,142 | 76,685,140 | 75,645,976 |
| INTERSTATE IMPORTED | 91,982,360 | 95,049,285 | 103,536,732 | 105,022,640 | 103,166,294 |
| INTERNATIONAL IMPORTED | 130,215 | 91,675 | 142,447 | 992,407 | 4,341,666 |
| AVERAGE DAILY HANDLE | 11,067,425 | 11,008,170 | 10,657,654 | 10,205,736 | 11,208,714 |
| AVERAGE ON - TRACK | 2,431,849 | 2,243,972 | 2,244,754 | 2,031,241 | 2,245,925 |
| AVERAGE OFF - TRACK | 3,510,136 | 3,260,049 | 3,196,561 | 2,933,842 | 2,987,401 |
| AVERAGE INTERSTATE | 5,024,318 | 4,927,248 | 4,484,445 | 4,343,812 | 4,899,837 |
| AVERAGE ADW HANDLE | 101,123 | 576,901 | 731,893 | 896,841 | 1,075,551 |
| AVE. CALIFORNIA HANDLE | 5,941,985 | 5,504,021 | 5,441,315 | 4,965,083 | 5,233,326 |
| AVERAGE LIVE | 8,785,624 | 8,797,173 | 8,437,531 | 8,056,322 | 9,079,017 |
| AVERAGE INTRASTATE IMPORTED | 1,198,124 | 1,091,692 | 985,847 | 902,178 | 879,604 |
| AVERAGE INTERSTATE IMPORTED | 1,082,145 | 1,118,227 | 1,232,580 | 1,235,560 | 1,199,608 |
| AVERAGE INTERNATIONAL IMPORTED | 1,532 | 1,079 | 1,696 | 11,675 | 50,484 |
| TOTAL TAKEOUT | 179,035,172 | 179,356,245 | 172,761,312 | 169,864,005 | 188,108,046 |
| EFFECTIVE TAKEOUT | 19.03% | 19.17% | 19.30% | 19.58% | 19.51% |
| STATE LICENSE FEES | 11,483,026 | 10,725,021 | 10,370,659 | 9,655,225 | 10,393,266 |
| STATE % | 1.22% | 1.15% | 1.16% | 1.11% | 1.08% |
| TRACK COMMISSIONS | 37,469,303 | 34,661,671 | 33,189,808 | 31,030,784 | 31,692,079 |
| ADW COMMISSIONS | 1,494,243 | 2,374,797 | 2,898,044 | 3,675,720 | 4,757,136 |
| TOTAL COMMISSIONS | 38,963,546 | 37,036,468 | 36,087,852 | 34,706,504 | 36,449,215 |
| TRACK % | 3.98% | 3.70% | 3.71% | 3.58% | 3.29% |
| HORSEMEN'S PURSES | 36,647,704 | 33,965,565 | 32,615,419 | 30,460,279 | 32,948,584 |
| ADW PURSES | 1,464,348 | 2,318,159 | 2,835,652 | 3,606,636 | 4,660,800 |
| TOTAL PURSES | 38,112,052 | 36,283,724 | 35,451,071 | 34,066,915 | 37,609,384 |
| HORSEMEN'S % | 3.90% | 3.63% | 3.64% | 3.51% | 3.42% |

LOS ANGELES TURF CLUB

| YEAR | 2002 | 2003 | 2004 | 2005 | 2006 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|
| CALIFORNIA ATTENDANCE | 1,845,941 | 1,668,123 | 1,641,055 | 1,484,947 | 1,579,223 |
| ON-TRACK | 828,916 | 736,873 | 747,640 | 677,193 | 789,196 |
| OFF-TRACK | 1,017,025 | 931,250 | 893,415 | 807,754 | 790,027 |
| AVE. DAILY ATTENDANCE | 21,717 | 19,625 | 19,536 | 17,470 | 18,363 |
| AVERAGE DAILY ON - TRACK | 9,752 | 8,669 | 8,900 | 7,967 | 9,177 |
| AVERAGE DAILY OFF - TRACK | 11,965 | 10,956 | 10,636 | 9,503 | 9,186 |
| TOTAL RACE EVENTS | 733 | 733 | 726 | 730 | 746 |
| STARTS | 6,189 | 5,935 | 5,842 | 5,738 | 6,320 |
| AVERAGE STARTS PER EVENT | 8.4 | 8.1 | 8.0 | 7.9 | 8.5 |
| AVE.HANDLE PER START | 120,662 | 125,992 | 121,320 | 119,343 | 123,544 |

LOS ANGELES TURF CLUB



CALIFORNIA HORSE RACING BOARD

**M e m o r a n d u m**

Date : May 11, 2006

To : Roy Minami
Assistant Executive Director

From : Kenneth Lady *KL*
Supervising Investigator

Subject : End of the Meet Report for Santa Anita Meet December 26, 2005 to April 23, 2006.

CHRB Rule 1597 (Association to Maintain Records of Horses on the Grounds.)

The investigators conducted random audits of in and out slips for the horses that had entered or left the stable area.

Off Hour Entry to the Backside

The log for off-hour entry to the backside was reviewed periodically. The logs indicated that trainers were the only people that showed entering the backside after hours.

1682 (Weighing Out)

The investigators routinely visited the Jockey's room to conduct audits of the weigh out by the clerk of the sales in the Jockey room.

The investigators also monitored the use of cell phones and jockey conduct in the Jockeys room.

1701 (Weighing In)

The investigators regularly monitored the weigh in at the finish of the race after the jockey had dismounted.

CHRB Rule 1902.5 (Animal Welfare-cruelty, mistreatment, neglect or abuse)

The investigators received and filed their first complaint a complaint of animal abuse/neglect from the State Veterinarian. The new rule was effective February 8, 2006.

May 11, 2006

Subject: End of the Meet Report for Santa Anita meet December 26, 2005 to April 23, 2006.

CHRB Rule 1922 (Display of license)

The investigators and the Racing Association Security Officers worked together enforcing the display of licenses on the backside, at the receiving barn and in the paddock area.

Starting Gate

The investigators periodically were at the starting gate. They reviewed the procedures used by the starter, the assistant starters and the jockeys.

Lasix Administration

The investigators audited the administration of lasix to horses in the graded races. In addition. The investigators monitored the actions of the security officers assigned to guard the horses in the graded races.

Race Track Inspections

The investigators conducted two off site racetrack inspections:

1. Hollywood Park track room/restrooms were inspected in preparation for the Hollywood Park Meet. The facility was clean and prepared for the future meet.
2. The San Louis Rey Downs Training Center backstretch worker housing was inspected. Present during the inspection were the general manager, HR & Safety Manager, and the North County Fire Protection district specialist. The track has made significant improvements in the housing since the last inspection in November 2005.

Barretts Sale monitoring

The investigators monitored the sale of horses at Barretts Sale at the faiplex.

OTB Simulcast Inspections

Four OTB Simulcast facility inspections were conducted:

Indio Date Festival-Shalimar, Fantasy Springs Resort Casino, Barona Valley Ranch and Viejas Casino. The OTB locations are well established and the operations were conducted according to the CHRB rules..

OTB Surfside Race Place, Del Mar, sustained rain leaks last year that resulted in mold spores developing on and within the walls. The supervising investigator has met with the Environmental Officer, the 22nd District and inspected the location on two occasions. Also involved in the remediation process, CHRB has talked to the General manager of the 22nd. District, the president of the Pari-mutual Guild, and the Off Track Wagering, Inc., Risk Manager. Progress is being made in the elimination of the mold.

May 11, 2006

Subject: End of the Meet Report for Santa Anita meet December 26, 2005 to April 23, 2006.

Barn Inspections

The investigators conducted four barn inspections and five barn searches during the meet.

Big Event Team

The Big Event Team (BET), sponsored by the TRPB was in town three days before the Santa Anita Derby Day Race. The members of the team, complemented by the investigators, provided extra security for the track and the horses. The team members were well received by the backside community.

Human Urine Testing

There are two licensees that under contract with the CHRB that are tested eight times a month. There are 25 licensees on testing agreements with our office on file on file at this office. Random testing of the licensees are conducted throughout the year.

Background Investigation

The supervising investigator conducted a background investigation and report for a new hire senior investigator.

Additional Information

This office conducted 188 investigations that resulted in 76 complaints filed with the stewards.

CHRB investigators will continue to maintain a strong presence on the backside stable area, increasing inspections on the backside, working with the Race Association security, and working with the private security officers assigned to the graded races.

cc: F. Moore